

INTERNATIONAL Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

London, Thursday, June 30, 1994

No. 34,628

Prince Charles: Unfaithful, Unlucky, Unabashed

By Steve Coll

Washington Post Service

LONDON — Prince Charles has managed in a single day to confess to adultery on national television and pilot a royal jet nose down into a Hebridean peat bog.

Stepping into a media maelstrom that wayward royals of yore never knew, the Prince of Wales made his admission of infidelity in an interview with Jonathan Dimbleby, a British television journalist granted access to the prince while filming a two-and-a-half-hour documentary, "Charles: The Private Man, The Public Role." It was broadcast Wednesday night.

Asked if he had been faithful to Diana, from whom he separated in December 1992, Charles answered, "Yes," then paused and said, "Until it became irretrievably broken down, us both having tried."

The prince did not say, nor was he asked, when this perception of his marriage took hold or where it led him. He called Camilla Parker Bowles, the married woman with whom he has been linked, "a great friend of mine," but only one of "a large number of friends."

Partisans of Diana, such as her sympathetic biographer Andrew Morton, have suggested in print this week that Charles effectively opted out of their fairy tale marriage very soon after it began. In the documentary, Charles denies this.

The failure of his marriage, he said, "is the last possible thing that I ever wanted. I mean, I'm not a total idiot. . . . It's not something that I went into marriage, you know, with the intention of this happening, or in any way in a cynical frame of mind. . . . I have always tried to get it right and tried to do the right thing by everybody."

Overall, the Dimbleby documentary is obsequious and elaborately flattering. Charles plays games with his children, coos at his dogs, tends earnestly to his charities, and accepts the small humiliations of his public schedule with tireless dignity.

In between, he speaks with unusual candor and humor about why it is not easy being a prince in an era of salacious media coverage and intrusive technology.

Yet rather than inspiring celebration of his quiet achievements, leaked excerpts of his comments have

only renewed vociferous debate about whether Charles is fit to be king.

Moreover, just before the actual broadcast, the prince stole his own headlines when the royal plane he piloted Wednesday burst a tire and skidded off the runway on the island of Islay. Nobody was hurt. The prince was calm. He told reporters: "It is not something I recommend happening all the time. Unfortunately, it did."

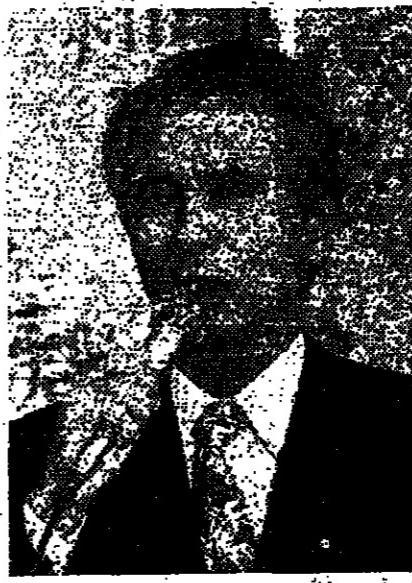
In the documentary, Charles directly addresses the lingering questions about his ascension to the British throne, including the touchy issue of whether he can legally become king if he divorces Diana.

Britain's sovereign is the symbolic leader of the Church of England. But some senior church officials say a divorce would bar him from such a role.

Divorce, Charles said, is very much in the future. "At the moment it's not a consideration in my mind." Yet should he divorce, "I don't see why it should be an impediment" to becoming king.

Moreover, the prince says that he might like to delink

See PRINCE, Page 4



Tomiochi Murayama, announcing his candidacy on Wednesday in the Diet

Reforms Fade As a Socialist Is Elected to Lead Japan

Conservative LDP Joins In a Deal That Seems To Assure Status Quo

By Paul Blustein

Washington Post Service

TOKYO — Japan got its first Socialist prime minister since 1948 on Wednesday night as Tomiochi Murayama, the Social Democratic Party chairman, won a dramatic vote in Parliament with the support of the Liberal Democrats.

Mr. Murayama received 261 votes in a runoff in the lower house of Parliament against 214 for a conservative candidate, former Prime Minister Toshiki Kaifu, who was backed by the multiparty coalition that had led Japan since August.

[Mr. Murayama agreed with leaders of the Liberal Democrats and a third party early Thursday to form a new cabinet by the end of the day, Agence France-Presse reported from Tokyo. The three leaders met for more than 90 minutes early Thursday morning to agree on a policy platform among the parties.]

The election of a Socialist leader in business-oriented Japan left observers agape and raised questions about the new government's policies and the potential for new conflicts with the United States over trade and security issues.

Amid the political changes, the yen continued its strong run against the dollar, rising to a new high in trading Wednesday. (Page 9)

Throughout most of Japan's post-World War II history the Socialists have been a marginal force, a whipping boy for the dominant Liberal Democrats who ridiculed as dangerously leftist its positions — most of them modified recently — such as support for North Korea and opposition to the U.S.-Japan security alliance.

Yet, in many respects, the development looked less revolutionary than a triumph for the status quo, because it marked a stunning setback for the reform movement, which is aimed at cleaning up Japanese politics and opening up the economy. The reformers who ended the Liberal Democrats' 38-year reign last August following a series of corruption scandals, controlled the government through a shaky coalition until the resignation Saturday of Prime Minister Tsutomu Hata.

Now, the reformers have lost out to the strange partnership of the Socialists and the Liberal Democrats. Although poles apart on many issues and divided by four decades of enmity, the two parties share a distaste for many reform proposals and a penchant for pork-barrel politics, which tends to favor entrenched interests such as small shopkeepers and farmers.

Mr. Murayama's victory does not mean reform is dead. Indeed, if the reformers have one big hope, it is that the marriage of convenience between the Liberal Democrats and the Socialists will arouse such voter disgust that the next election will produce an overwhelming win for pro-reform parties.

But the new Socialist-Liberal Democratic alliance could seriously delay the progress of reform. A particular fear held by many reform advocates is that the new government will undermine the landmark legislation passed this year to revise the electoral system, which is aimed at forcing politicians to appeal to voters by advancing

See JAPAN, Page 4

Hong Kong Reform Plans Win Approval in Close Vote

Patten's Democracy Proposals Adopted Despite Some 11th-Hour Maneuvering

By Kevin Murphy

International Herald Tribune

HONG KONG — Marking the end of nearly two years of bitter wrangling between Britain and China, Hong Kong's legislature on Wednesday narrowly endorsed Governor Chris Patten's plans to make elections more democratic.

Despite Beijing's vow to overturn the reforms and last-minute support by pro-China legislators for amendments aimed at substantially weakening the proposals, the Legislative Council voted, 32 to 24, to broaden the voting base for elections in 1995 and beyond.

Three Hong Kong government officials appointed to the legislature were crucial to blocking by one vote — 29 to 28 — a pro-business Liberal Party amendment that would have virtually halted Britain's last-gasp campaign to bolster democracy in the colony.

"It's being resolved by the representatives of the people of Hong Kong in the open," Mr. Patten said prior to the resolution of the debate that has divided the local

community. "It's not being decided in secret behind closed doors — and I think that is a very important step forward for Hong Kong."

The vote came after weeks of intense lobbying of independent legislators by Mr. Patten and his opponents, who agree with Beijing that Britain's policies break the spirit of earlier agreements on Hong Kong's 1997 return to China.

It also capped two years of heightened political activism throughout many once-quiescent sectors of the community. Increased public debate, the formation of new political parties and lobby groups, and frequent opinion polling have accompanied Mr. Patten's arrival as Hong Kong's last governor.

However, while Mr. Patten has described the vote as "one of the most important decisions in Hong Kong's 150-year history," surveys found much community apathy and confusion about the details of electoral arrangements, which will see all members in the 60-seat assembly chosen

See COLONY, Page 4



WORLD CUP GRANDSTAND

Saudi Arabia 1, Belgium 0

Saudi Arabia produced one of the biggest upsets of the opening round by toppling the previously unbeaten Group F favorite, Belgium.

Saeed Owairan's goal was the most spectacular thus far in the tournament, scored just five minutes into the match when he burst from an unmarked position in his own half to carve open the Belgian defense with a spectacular run and emphatic shot.

Saudi Arabia plays Sweden next in the second round; Belgium will meet either Germany or the Group D winner, probably Argentina.

"I told you we would take second place in the group, and here we are, delivering what we promised," said the Saudis' coach, Jorge Solari.

"This was not expected by many people."

Netherlands 2, Morocco 1

Dennis Bergkamp scored his first goal of the tournament and set up the winner in the 78th minute, by Bryan Roy, who had been on the field just 11 minutes, as the Netherlands advanced to a second-round game with Ireland.

Morocco, which also lost its two previous games, was eliminated.

Marc Degryse took advantage of a wobbly defense and an error by goalkeeper Khalil Azmi to score in the 11th minute and Belgium held on to win the Group F match Sunday in Orlando, Florida.

Brazil Under Pressure

The Brazilians have proved themselves

to be the most talented and least passionate contenders of the first round.

But the pressures are immense, and the next game, against the United States on the Fourth of July, is one they will never be allowed to lose.

A Cut Above the Rest

Alexi Lalas of the U.S. team — if you don't recognize the name, you will his hair, orange as a blow-dried sunset — has become as famous for his defense as for his locks.

In some quarters of Los Angeles, that has led the less endowed to visit a user-friendly hair salon.

Thursday's matches: Greece vs. Nigeria, at Foxboro, Massachusetts, 2335 GMT; Argentina vs. Bulgaria, in Dallas, 2335 GMT. World Cup report: Pages 22 and 23.

Poor on the Move in China Millions of Peasants Seek Work in Cities

By Patrick E. Tyler

New York Times Service

BEIJING — With his possessions bundled in plastic and hung from his shoulders and his trousers rolled up to beat the heat, 30-year-old Ren Jun drifted into Beijing last week, part of a migrant tide of 50 million peasants that is threatening to swamp China's urban landscape.

To the Communist Party leadership, they are the engine of China's inexhaustible supply of cheap labor, a floating population helping to build the country.

But they also are becoming a huge and, at times, unstable and easily exploited force on the loose, rampant on the fringes of China's overcrowded and polluted urban centers, where crime, corruption and urban unemployment already are threatening social stability.

They are easy to spot. Most large cities along China's coast have 1 million to 2 million migrants living in shantytowns, dormitories or in public spaces. At Beijing's main railroad station, a thousand migrant stories an hour pass through the green metal gates to the cavernous and unlighted hall that leads to the concrete platforms.

And vast numbers of laborers like Mr. Ren appear each morning in Beijing at an impromptu labor market, hoping local coal-mine supervisors will pick them to work.

"So far, I think it has been a quite positive development," said Professor Fan Gang, a leading economist at the Chinese Academy of Social Sciences. "It has helped to transfer wealth from rich to poor areas

See CHINA, Page 4

In Italy, Selective Memory Neofascists Have a Ball on Cruise Ship Where Terrorists Murdered a U.S. Jew

By Alan Cowell

New York Times Service

ROME — Fund-raisers come in various forms: \$1,000-a-plate dinners, celebrity sales, sales of hats and balloons and T-shirts.

But it takes a strange soul to charter the Achille Lauro, the boat from which an American Jewish hostage was once pushed to his death by Palestinian hijackers, for a fund-raising cruise on behalf of neofascists.

That, however, is what the Italian National Alliance party, part of Prime Minister Silvio Berlusconi's governing coalition, has done, even as it seeks to distance itself from its Fascist roots with talk of political overtures to Israel and maybe even a visit there by its leader, Gianfranco Fini.

And so, off Sicily on Wednesday, on the third day of the cruise, more than 600 fare-paying passengers, including Mr. Fini himself, pursued what Italian news reports and people on board depicted as a frolic of gambling, disco-dancing, swimming, sun-

bathing and televised big-screen World Cup soccer aboard the Achille Lauro.

Nowhere did the organizers, or the news reports, mention the name of Leon Klinghoffer, the 69-year-old American who was shoved overboard in a wheelchair when the cruise liner was hijacked by Palestinian terrorists in October 1985.

To some, it might seem surprising that the vessel's name was not changed after the ordeal at sea that made it synonymous with terrorism's worst excesses.

And to others it might seem odd that the National Alliance, built around the neo-Fascist Italian Social Movement founded by Mussolini's supporters after World War II, should choose a ship whose name evokes the anti-Semitism that Mr. Fini seeks to disavow.

"It simply didn't seem to occur to anybody," said one neofascist supporter, who spoke on condition of anonymity.

"Yes, unfortunately, it's the same Achille Lauro as the one on which the ugly deed was committed," said Salvatore Sotile, a National Alliance spokesman.

The coincidence had been unfortunate. Mr. Fini acknowledged in a broadcast interview before the 12-day cruise began, but he continued: "No offense is intended."

Thus, on June 27, the Achille Lauro set sail from Genoa for a voyage that, Mr. Fini said, "shows that the right is modern, even in its mentality."

Well sort of. From Genoa, the Achille Lauro headed See SHIP, Page 4

Kiosk

Chunnel Delays Passenger Service

PARIS (Reuters) — The start of passenger rail services through the Channel Tunnel will be delayed until at least late September after the operators hit snags switching the trains from mainland European tracks to British lines.

An official at the French state railroad SNCF, which will run the Eurostar service with its British and Belgian counterparts, said limited passenger services would start on the last Sunday of September at the earliest.

Services, for selected passengers only, had been due to start on Friday with a full service by the autumn.

Eastern Germany's former Communists have gained a new credibility. Page 2. Germany hinted it was ready to compromise on EU deadlock. Page 2.

The U.S. government wants to avoid an all-out ban on cigarettes. Page 3. Handprints on the wall of a Rwanda church reveal the terror of Tutsis. Page 4.

Book Review
Bridge
Crossword
Weather

Page 5
Page 5
Page 21
Page 24

Dow Jones
Down 2.59
3,667.35

Up 0.54%
111.37

The Dollar
Wed. date Previous close

DM 1.587 1.5765

Cyr 1.5100 1.5000 Naira 50.00 Naira

DKr 1.400 D.Kr. Norway 15.1 K.R.

Finnland 11.1 F.M. German 1.800 Reichs

Gibraltar 5.000 5.000

Great Britain 5.000 5.000 Arab 9.00 9.00

Ireland 5.000 5.000

Jordan 5.000 5.000 Africa 5.000 5.000

Egypt 5.000 5.000

Kenya 5.000 5.000 D.R.C. 5.000 5.000

Kuwait 5.000 5.000 Zimbabwe 5.000 5.000

Yemen 5.000 5.000

New Credibility for East Germany's Ex-Communists

By Stephen Kinzer
New York Times Service

BERLIN — Since the success at the polls that former East German Communists enjoyed this month, new attention is being focused on party leaders and their agenda.

The party is a mixture of old Communists and young punks with spiked hair, unreconstructed Stalinists and reform-minded democrats, earnest politicians and clandestine activists. They do not always get along well, but they have managed to present a united front and they show surprising strength at the polls.

In elections two weeks ago for local offices and for seats in the European Parliament, the former Communists exceeded all predictions, emerging as the strongest party in several eastern cities and taking 40 percent of the vote in East Berlin. And on Sunday, they won their biggest victory since unification when one of their number, Horst-Dieter Braehmig, was elected mayor of Hoyerswerda.

With 130,000 disciplined members, the Democratic Socialists are by far the largest party in Eastern Germany. More than 90

percent belonged to the East German Communist Party, and a number were secret police officers or informers.

When Communism rule collapsed in 1990, party members considered abolishing the party and founding a new one. But they decided simply to change the name, a move that encouraged many old members to remain in the ranks.

The party's leading figure, Gregor Gysi, an energetic and sharp-tongued member of Parliament, is one important reason for its success. An excellent speaker and favorite guest on television talk shows, Mr. Gysi is a deft critic of capitalism and a persuasive defender of the view that not everything in East Germany was so bad.

A member of the party since 1967, Mr. Gysi says he and other Communists "should have done more" to reform the East German system after the emergence of Mikhail S. Gorbachev in the Soviet Union, but he avoids condemning the Communist government that ruled East Germany.

From 1990 to 1992, Mr. Gysi was chairman

of the Democratic Socialists. His successor is Lothar Bisky, 52, another longtime Communist Party member, who says he is "between a left-wing Social Democrat and a reform Communist."

Hard-liners in the party have formed a shadowy faction called the Communist Platform, which is said to have 20,000 members. According to a report by the federal police, the Communist Platform advocates a "clear Marxist-Leninist strategy" and is committed to "resistance against capitalist society" and "revolutionary violence as a political tool."

"I'm glad the Communist Platform exists," Mr. Bisky said in a recent interview. "It is very active and is an important force. The Communist Platform has contributed many good perspectives."

But Democratic Socialists who serve on city and town councils have won a reputation as nonsectarian activists who work hard to resolve local problems. Their example has persuaded many people in Eastern Germany that the party is a positive force that has much to contribute to the region's development.

"Our goal is not the revolutionary overthrow of the democratic parliamentary order and the building of some kind of dictatorship, but rather the true democratization of Germany," a party handbook asserts.

But there are many skeptics.

"For me, the Democratic Socialists are a party that only pretends to be democratic," said Georg Diederich, a sharp critic of the East German government, who served from 1990 to 1992 as interior minister of the eastern state of Mecklenburg-Western Pomerania.

Party leaders like Mr. Gysi strenuously deny such charges.

"I accept the political freedom, the legal order and the democratic possibilities that this system offers," Mr. Gysi said. "But I also maintain that people in East Germany have lost important rights and that in this society there is much social injustice and much that needs to be fundamentally changed. We are not facing the global social, ecological and cultural challenges that confront us. So for me there are still very good reasons to be anti-capitalist."

WORLD BRIEFS

Court Sides With Greece on Embargo

ATHENS (AP) — Greece won the first round Wednesday at the European Court of Justice to maintain a trade embargo against the former Yugoslav republic of Macedonia.

The European Commission asked the court in Luxembourg for a restraining order that would have forced Greece to lift the embargo during deliberations. European Union sources said the court refused, ruling that the commission failed to prove harm to a member state.

Athens banned the shipment of all goods except food and medicine to its landlocked neighbor, claiming that Macedonia has usurped an ancient name and has designs on the Greek province of the same name.

Attackers in Algiers Disrupt Protest

ALGIERS (AP) — Explosions and gunfire Wednesday scattered a protest march headed by a group opposed to both the government and a Muslim fundamentalist insurgency. Security forces said 64 people were wounded.

Officials said two of the victims were in grave condition after the attack, blamed by witnesses on a lone attacker who threw two bombs or grenades into the crowd as many as 15,000 protesters stampeded for cover. The attacker fled.

The demonstration continued between two main downtown squares as protesters vowed not to be dissuaded by violence. There was no claim of responsibility for the bombings, but the government blamed it on the fundamentalist militants waging an insurgency that has left 4,000 dead.

Police Scatter South Korean Strikers

SEOUL (AP) — Thousands of police using bulldozers and tear gas stormed sites in two cities of South Korea early Wednesday in a show of force against illegal work stoppages.

Walls and barricades were cast aside at Kumho & Co. in Kwangju, 250 kilometers (156 miles) south of Seoul, to disperse 1,500 striking workers.

In Taegu, 210 kilometers southeast of Seoul, about 3,000 police in riot gear stormed Daewoo Automotive Components Ltd. and removed about 300 striking workers.

Bangladesh in Turmoil Over Author

DHAKA, Bangladesh (AP) — The police cordoned off central Dhaka on Wednesday to prevent Muslim fundamentalists from clashing with supporters of an author who faces death threats for having suggested changes in Islamic laws.

More than 200 people have been injured in street skirmishes during the last three days. The extremists want Taslima Nasrin to be hanged for her comments about the holy book, the Koran. The government has threatened to punish fundamentalists who began offering a bounty to anyone who killed the writer.

At least 10,000 police and paramilitary troops fanned out across the capital during a nationwide strike called by Muslim fundamentalists. Secular political parties and students have vowed to resist the Muslims.

TRAVEL UPDATE

China Sets Up Funds to Aid Tourists

BEIJING (AFP) — China's leading tourist body has ordered travel agencies to set up special funds to compensate foreign and domestic tourists for losses caused by poor management, the China Daily said Wednesday.

The China National Tourism Administration said the directive was aimed at protecting tourists and upgrading standards. The 25 agents offering first-class services — recruiting and arranging foreign tour groups — must each set up compensation funds of 600,000 yuan (\$66,000), the tourism administration said. Second-class agents hosting foreign visitors must establish a 300,000 yuan fund, while third-class operators handling domestic tourists need deposits of 100,000 yuan.

Major U.S. airlines have put the July 4th weekend on sale for travelers who want to fly between Saturday night and Monday within the continental United States. From 6 P.M. Saturday to midnight Monday, round-trip tickets will cost \$39 for flights of less than 500 miles (800 kilometers), \$129 for flights up to 1,000 miles and \$149 for the longest flights.

Swissair will resume flights to Lebanon in September after an 11-year break because of the civil war, the airline said Wednesday in Zurich. It said there would be two flights a week between Zurich and Beirut.

Simpson in Better Spirits, Is Off 'Suicide Watch'

Compiled by Our Staff From Dispatches

LOS ANGELES — O.J. Simpson, in jail facing double murder charges, was taken off a special "suicide watch" on Wednesday, an official said.

Sheriff's Sherman Block of Los Angeles County said Mr. Simpson's suicide watch was ended on the advice of his psychiatrist, who said the former football player was in much better spirits and it was no longer feared that he might try to kill himself.

Mr. Kinkel said that meeting might not be necessary if a consensus was reached ahead of time. He said Britain was within its rights to veto Mr. Dehaene's bid to succeed Jacques Delors at the Corfu summit meeting.

"We have to accept that," he said. But he indicated Prime Minister John Major would face heavy pressure to support a new candidate.

Mr. Kinkel appeared to leave the door open for a revived bid from Ruud Lubbers, the Dutch prime minister, by praising his abilities.

Both sides go back to court on Thursday for a preliminary hearing where a judge will determine if there is enough evidence to put Mr. Simpson on trial. Miss Clark said Tuesday that it could take as long as a week to present the evidence that has been compiled against him in the preliminary hearing.

The prediction suggests that the prosecution will not hold back in making its case to a judge that Mr. Simpson should be bound over for trial.

Prosecutors have evidently decided that in the public opinion battle that underlies this case it is critical to make as strong a case as possible.

A Los Angeles Times published Tuesday showed that people who are sympathetic to Mr. Simpson outnumber those who say they are not, 48 percent to 41 percent.

(Reuters, AP, WP, NYT)

Shells Pour On Aden in New Drive



LONELY TRAVELERS — Two backpackers had Victoria Station in London largely to themselves Wednesday as a one-day strike by signal workers over pay and privatization halted trains for many thousands of commuters and others.

Tapie, Back on Carpet and Hauled Off

By Alan Riding
New York Times Service

establishment's vendetta against him.

This time, the police acted barely 12 hours after the National Assembly had lifted Mr. Tapie's parliamentary immunity so that he could answer charges of fraud and tax evasion in two cases involving his luxury yacht, Phocaea. After appearing before Judge Eva Joly, he was then released.

His legal troubles go further. He also faces charges of defaming a judge and of appropriating funds from one of his companies, while his soccer team, Olympique de Marseille, was demoted in a match-fixing scandal. He was even charged Wednesday with insulting the police who came to arrest him.

So far, though, his court battles have done nothing to hurt his popularity. Now 51 years old, his political group won 12 percent of French votes in elections for the European Parliament this month. He is also favorite to become the next mayor of Marseille and he may even run for president in 1995.

The reason that many mainstream politicians of both left and right disapprove of him is the very reason for his growing following — that he is a self-made man and political outsider, someone whose blunt language and personal charisma appeals to many young and working-class French.

The son of a plumber who was brought up in a rough Paris suburb and worked as a salesman and pop singer before discovering he had a talent for business, his style seems all the more out of place in a political world peopled by highly educated technocrats and machine politicians.

His enemies call him a populist and demagogue as well as a crook, pointing most recently to his proposal that unemployment — which affects one in four young French — be simply declared illegal. Yet he seems to flourish on epithets, apparently convinced that attacks by the political elite merely feed support for him.

"They can't insult two and a half million people," Mr. Tapie said Tuesday, referring to those who voted for his Radical Movement of the Left ticket on June 12. He was nonetheless stripped of his parliamentary immunity in two votes — 465 to 10 and 462 to 10 — in the conservative-dominated Assembly.

Judicial sources said that Judge Joly acted quickly after these votes for fear that Mr. Tapie might leave the country until he acquires fresh immunity from prosecution when the newly elected European Parliament meets July 19. The court impounded his passport and barred him from leaving France for three weeks.

But France's interior minister, Charles Pasqua, said the police were merely carrying out the judge's orders. "There were noises, name-calling, a little rebellion," he added. "One had to expect some outrage."

Theft at Acropolis Charged

Reuters

ATHENS — A Spanish tourist was arrested on Wednesday and accused of trying to steal a piece of marble from the Acropolis monument.

HEALTH CARE COSTS. LET US PAY FOR IT.

The cost of hospitalization can ruin the economy of any family. And the expenses for medical care, dentists and specialist treatment can be a heavy burden on your bank account. That's why International Health Insurance should be part of your life, it will help you all over the world. We let you choose your own doctors, dentists, specialists and hospitals. And children are co-insured free of charge. International Health Insurance gives you extra value for money, and if you need assistance in an emergency, just call us.

We're ready to help you 24 hours a day.

THE CARD THAT GIVES CREDIT TO YOUR HEALTH

Send for a brochure from International Health Insurance Denmark a/s

Name: _____

Nationality: _____ Age: _____

Address: _____

Country: _____

Telephone: _____

I am interested in information about:

Hospital cover only Hospital and out-patient cover

IMPROVE THE WORLD'S ECONOMY

To call from country to country, or back to the U.S., dial the WorldPhone number of the country you're calling from.

Antigua	Cyprus*	Greece*	Guatemala*	189	Netherlands/Ce	080-122-91-22	Spain/Ce	900-99-0014
(Available from public payphones only)	#2	Czech Republic*	Haiti/Ce	081-800-444-1234	Netherlands Antilles/Ce	001-800-450-1022	St. Lucia	191-997-0001
Argentina*	Denmark/Ce	Honduras*	Honduras/Ce	001-800-673-7000	Nicaragua/Ce	020-795-922		
Australia*	Dominican Republic	Hungary/Ce	Iceland/Ce	(Outside of Managua, dial 02 first)	Norway/Ce	166	Sweden/Ce	153-0222
Aruba*	Ecuador*	Iceland*	Ireland/Ce	007-300-414111	Norway/Ce	900-104-12	Switzerland/Ce	2810-100
Bahamas/Ce	Egypt/Ce	170	Israel/Ce	1-800-55-1021	Portugal/Ce	2810-100	Trinidad & Tobago	106
Bahrain	El Salvador	175-176	Italy/Ce	177-190-3727	Military Bases	008-11-800	(SPECIAL PHONES ONLY)	United Kingdom/Ce
Belgium/Ce	Finland/Ce	185-186	Jamaica	172-1022	Paraguay/Ce	008-11-190	To call the U.S. using BT	0800-89-0222
Bermuda*	France/Ce	194-195	Kenya	800-674-7000	Peru/Ce	001-190	To call the U.S. using MERCURY	0500-800-222
Bolivia*	Germany/Ce	194-195	Lithuania	195-0222	Poland/Ce	07-01-91-222	To call anywhere other than the U.S. 0500-800-800	000-11
Brazil	Hungary/Ce	194-195	Luxembourg	195-0222	Portugal/Ce	07-01-91-223	Uruguay	1-800-888-9000
Canada	Iceland/Ce	194-195	Mexico	195-800-674-7000	Puerto Rico/Ce	1-800-888-5000	Virgin Islands/Ce	1-800-888-9000
Cayman Islands	Ireland/Ce	194-195	Monaco/Ce	195-00-19	San Marino/Ce	173-100	Vatican City/Ce	1-72-1023
Chile/Ce	Italy/Ce	194-195	Montenegro	195-00-19	Slovak Republic/Ce	002-16-000-1112	Venezuela/Ce	800-111-0
Colombia/Ce	Japan/Ce	194-195	Montenegro	195-00-19	South Africa/Ce	080-00-00-001		
Costa Rica*	Korea/Ce	162	Monaco/Ce	195-00-24-8721				

Walls Reveal Terror In Rwanda Church

Bloody Handprints of Tutsi

By Jonathan C. Randal
Washington Post Service

SHANGI, Rwanda — In some rooms at the Roman Catholic Church compound here, the bloody handprints are relatively sparse and low along the walls. In other rooms they are bunched together and run in pyramid pattern to the ceilings.

In a few small rooms, a desultory effort was made to scrub away the prints, leaving behind a windshield-wiper smear of blotchy brown on the once whitewashed walls. In the communal toilet, one victim's blood is now congealed on the toilet seat and wash basin.

The handprints — of adults and children — are the most gruesome evidence of what people here say was the massacre by Hutu militia troops on April 18 of hundreds of members of the minority Tutsi tribe who had taken refuge at Shangi's small church compound.

Most of the iden... of the settlement 30 kilometers down the provincial center... refused to talk it what happened.

But handprints and other... best one of the u... ass killings that have plagued Rwanda since April 1994. In Hutu government... and gangs began slaughtering Tutsis and a dormant civil war was rekindled.

UN Trucks Get Food To Tutsi

Reuters

KIGALI, Rwanda — United Nations officials, for the first time in weeks, got food through Wednesday to Tutsi trapped on the Rwandan government side of the capital.

Trucks unloaded more than seven tons of cornmeal and baby food at the Sainte Famille church complex here, where about 1,500 Tutsi are trapped close to the battle lines.

When told the United Nations had come only to bring food and not to evacuate the refugees, a young woman looked to see whether any Hutu soldiers or militia members were within earshot and then blurted:

"We have to go! We have to go! They come in every day and look around. They will come to take the men away and kill them."

Rebels of the Rwanda Patriotic Front and government forces agreed to a temporary truce so that the convoy, escorted by UN military observers, could get food to people in the church, Hotel Miles Colliers and the Tanzanian Embassy.

But midway through the operation, rebels began pounding the government police barracks at Kacyiru with mortar fire, and bullets whistled over Sainte Famille as the trucks unladen.

"This is the first food to get across to the Rwandan government side for three weeks," said Rafael Loureiro of the UN World Food Program.

ARAFAT: Return Is Imminent

Continued from Page 1
would not come until more headway had been made toward Palestinian self-government under the pact signed with Israel in May.

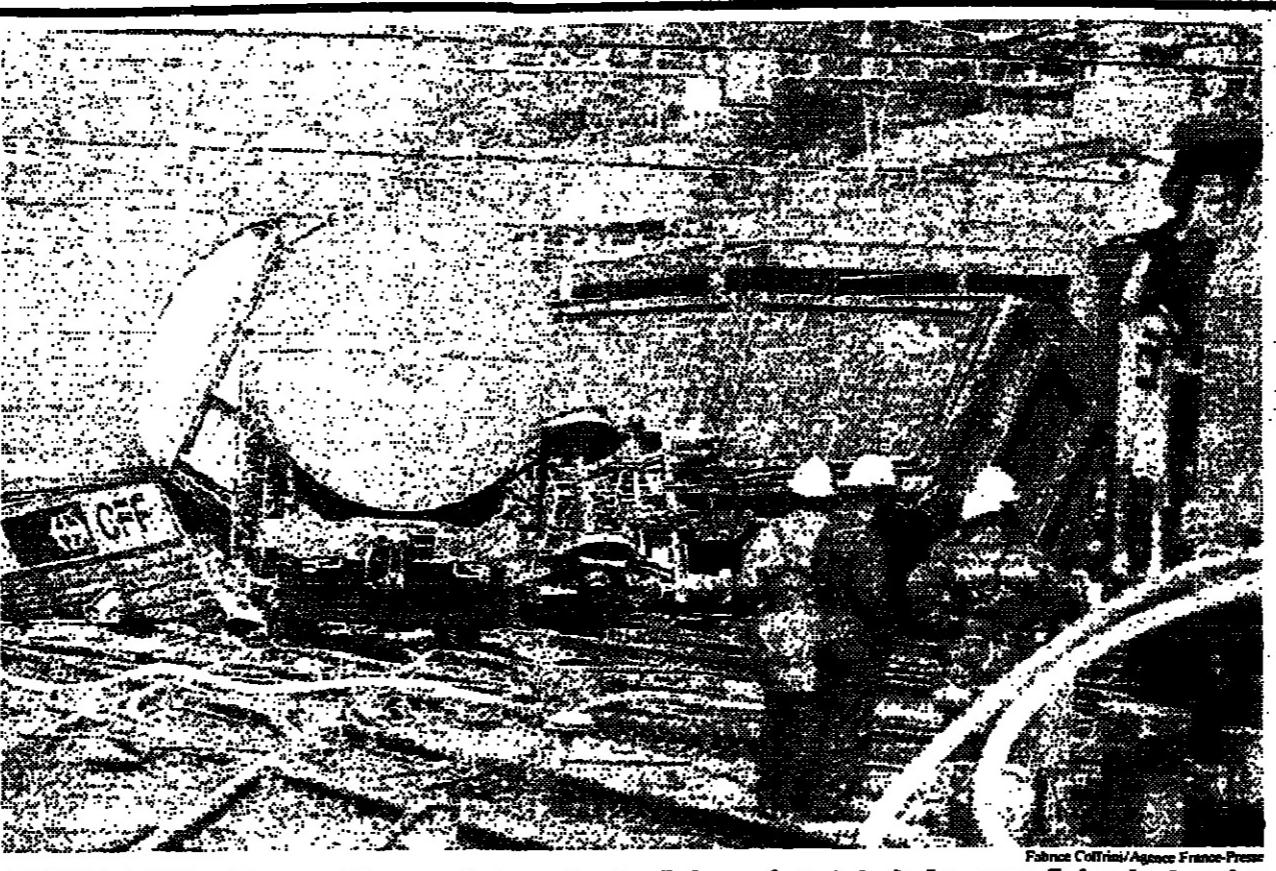
But Palestinians said one reason for the sudden turnaround was pressure from the territories, where Mr. Arafat's absence was leading to a growing restiveness and unease. "He's under pressure from the people," said a Palestinian official in Cairo. "They didn't believe the money as an excuse. They are saying, 'What's happened?' Why didn't he come?"

Foreign Minister Shimon Peres of Israel, in an interview to be published Thursday, told The Jerusalem Post, "So long as there is no security problem, we should let him come this week, why not? I don't know why ev-

erybody is making such a big deal. What is this? The exodus from Egypt?"

Palestinians were preparing for a tumultuous homecoming for Mr. Arafat, who has not been in the West Bank and Gaza Strip since after the 1967 War in which Israel captured the territories from Jordan and Egypt. Mr. Arafat has repeatedly delayed his visit since the May 4 signing of an agreement implementing the Gaza-Jericho accords for Palestinian self-government.

Previously, Palestinians had said Mr. Arafat would go first to Jericho, the seat of the self-rule administration, which is still largely unarmed. But Mr. Shasha said Wednesday that Mr. Arafat would make only a short visit to Jericho, apparently because of security concerns.



SWISS CRASH — Firemen with gas masks inspecting derailed cars of a train in the Lausanne, Switzerland, station on Wednesday. Hundreds were evacuated from their homes in the city after chemicals were spilled from the train.

CHINA: Peasant Migrants Cram Into Cities to Work on Construction Sites

Continued from Page 1

of the country." Richard Baum, a political science professor at the University of California at Los Angeles, calls the mobile population "a shock absorber" that can flow from one sector of the fast-changing economy to another "to cushion the transformation of the Chinese economy."

At the same time, today's migration ex-

plosion could be the harbinger of an even greater one to come, Chinese and Western experts say.

At the church compound here, Hutus dug a gaping hole in the outside brick wall of the largest building during their April assault, giving them access to the Tutsi refugees within who had trusted in the church tradition of providing sanctuary in troubled times.

The smaller of its two rooms is bullet-pocked, and the plaster of one wall was blown off by a hand grenade, uncovering the brick below. But most of the killing seems to have been done by machete, the Hutus' preferred weapon.

On the wall of another room, the pattern of bloody handprints visible from floor to ceiling — a virtual diagram of how desperate Tutsis stood on each other's shoulders in a vain effort to reach the ceiling crawl spaces and roof to hide from their Hutu killers.

Similar handprint patterns — and dislodged ceiling tiles — also are visible in two dozen smaller rooms that were once the quarters of priests and seminarians.

In the compound outside, two suspect depressions in the ground suggest that some bodies might have been interred there, but the climate of fear here is still so keen that no one seems willing to investigate.

An eight-man patrol of the United Nations-backed French intervention force in Rwanda arrived here Tuesday as part of its effort to protect civilians and ensure delivery of aid.

The nuns seemed reassured, but worry still about what will happen if the French leave at the end of July, as their operational timetable calls for.

At his hilltop residence in Cyangugu, Bishop Nginibinuru recounted how he had been powerless to prevent the murder by Hutus of three Tutsi priests among five clerics he had sought to accompany to safety outside the country.

Noting the violence on the continent from Somalia in East Africa to Liberia in the west, the bishop was not enthusiastic about suggestions that African troops may replace the French as a protective force at the end of next month.

Continued from Page 1
for Sicily. Then it is sail to Egypt, where Italian veterans who fought for Mussolini in the Western Desert and who are sailing on the Achille Lauro will commemorate their fallen comrades at the site of the battle of El Alamein.

Some Italian newspapers have called the commemoration a neofascist riposte to the D-Day celebrations in Normandy.

The cruise-liner is to return by way of the Aegean and will anchor at Capri, just before President Bill Clinton and others gather next week for the G-7 summit meeting in Naples just across the bay.

Wednesday, said a passenger who spoke in return for anonymity, passengers went ashore at the Sicilian port of Siracusa and "were given a tour by a guide who told us about excess African immigration."

The passengers are paying \$1,300 to \$3,300 each for what the National Alliance strategist Roberto Iannarilli described as an initiative to bring the party faithful close to their leader on a vacation that will also put some funds into the party coffers. "It will earn hundreds of millions of lire for us," Mr. Ianarilli said.

The idea seems to have started something of a trend: Umberto Bossi, the rambunctious Northern League leader, who is also a member of the governing triumvirate in Rome, plans his own slightly more up-market cruise with 100 followers on a different ship later this month.

Continued from Page 1

Destination: Greece, Turkey and the Black Sea. Ticket price: \$1,800 to \$4,100.

But Mr. Fini's odyssey aboard the Achille Lauro has stolen the headlines.

"Finis wins a million at roulette," said the state television, referring to the Italian sum equivalent to about \$600. Mr. Fini dismissed the report, saying it was bad luck to discuss one's winnings.

The mood, evidently, was not

that of October 1985. Then,

more than 400 people were

cruising the Mediterranean on board the Achille Lauro.

As it neared Port Said, Egypt,

after leaving Alexandria,

hijackers from the extremist Palestine Liberation Front commanded the vessel and later pushed Mr. Klinghofer overboard as the Achille Lauro sailed off Syria.

Mr. Klinghofer's was the

only fatality from the hijacking.

Continued from Page 1

BEIJING — The official Chinese news agency Xinhua quoted President Kim Il Sung as having said Wednesday that the crisis over North Korean nuclear ambitions had eased in the wake of an agreement Tuesday for a summit meeting to start July 25 in Pyongyang, the North Korean capital.

The North Korean leader

briefed the delegation, Xinhua said, on preparations for his summit meeting next month.

Some estimates put the total "floating population" at 70 million to 100 million, said Dorothy Solinger, a China scholar at the University of California at Irvine, who has done extensive research on China's migrants.

She also argues that the migrant problem "may not be as bleak as it is made out to sound."

"First, they are not all going to the big cities," she said. Many migrants simply move off the farms into township enterprises nearby, or even far away, but not necessarily clustered in large cities.

Second, she said, where migrants do cluster, crime, not political rebellion, is the largest potential worry. She pointed out that the mayor of Zhuhai, the special economic zone adjoining Macao, recently said 75 percent of the crime in his city could be attributed to migrants.

But much is simply unknown about the size and complexity of China's migratory labor movement, she said. What seems undisputed is that the Pearl River Delta in Guangdong Province, formerly known as Canton, has the country's largest concentration of migrants, an estimated 10 million.

At least 500,000 of them are child laborers, Chinese surveys have shown, many of them working in sweatshop conditions.

In Jiangxi Province, the outflow of farmers leaped from 200,000 in 1991 to more than 3 million last year.

Shanghai's 13 million residents are now supporting 2.5 million rural workers attracted from all over the Yangtze River valley to the construction trades at work on the city's mammoth redevelopment plan.

Experts say that as long as China's economic growth continues to gallop along at more than 10 percent a year, this floating population is likely to remain relatively well employed, prosperous and stable. But an economic downturn or recession could easily leave the tide of migrants stranded and aggrieved.

"This is the labor of an exploited class," said a long-tenured Western diplomat here. "There are no wage laws to protect them, and they can be fired on a whim."

"I would certainly imagine so," Charles said. "As far as I'm concerned, in the ordinary course of events, this is what would happen."

Over the last decade, the prince has been overshadowed by Diana's charisma and more recently has been victimized, at least in the view of the Charles camp, by systematic leaks to the media that she authorized. The Dimbleby film is widely de-

scribed here as the prince's calculated attempt to match Diana at her own media game.

Indeed, Charles himself makes reference to this idea during the film, when he says with exasperation at one point, "It's so difficult though, in this day and age, I find, to know how to play the media... It is very hard, I think, to know where the balance lies."

COLONY: Patten Plan Is Passed

Continued from Page 1

by direct or indirect election. Beijing has vowed to dismantle the Legislative Council when it regains control of Hong Kong, a factor that weighed heavily in Wednesday's marathon debate. But Beijing recently decided to end its attacks on reforms it has vociferously contested since Mr. Patten proposed them in October 1992.

After months of deadlock China and Britain have reopened negotiations on key infrastructure projects, including Hong Kong's new \$20.3 billion airport and a host of complex issues involved in the transfer of sovereignty in three years.

British and Chinese negotiators expect to soon strike a deal on the transfer of military lands that has eluded them for seven years. Drafting of an airport financing agreement began last Friday.

China first ignored the dem-

ocratic reforms, then resisted them with public attacks that jarred a nervous local business community and prompted mini-crashes in the Hong Kong stock market. It only agreed to discuss the issue with Britain in April last year after Mr. Patten threatened to push ahead with its acquiescence.

The new legislation will not make future Hong Kong elections fully democratic. Only 20 of 60 legislators will be directly elected.

But the reforms will end corporate-only voting in functional constituencies organized along trade and professional lines by allowing all 2.7 million Hong Kong workers a second vote in 30 constituencies.

Mr. Patten's proposals will also require a new Election Committee responsible for choosing 10 members of the Legislative Council.

The defeated Liberal Party amendments proposed that occupational-based constituencies would have been limited to 22,000 voters and that the Election Committee be drawn from four categories of residents: industry and commerce, professionals, workers, and political figures.

"We still think that Patten's package is bad for a smooth transition for Hong Kong," said the Liberal Party chairman, Allen Lee, after its amendment was defeated. "What we want is a package which would minimize change and turbulence, but I can assure you his package would create very big changes."

Kim II Sung Sees Progress

Reuters

BEIJING — The official Chinese news agency Xinhua quoted President Kim Il Sung as having said Wednesday that the crisis over North Korean nuclear ambitions had eased in the wake of an agreement Tuesday for a summit meeting to start July 25 in Pyongyang, the North Korean capital.

The North Korean leader briefed the delegation, Xinhua said, on preparations for his summit meeting next month.

Mr. Kim told a Chinese military delegation, the news agency reported.

The meeting will be the first between leaders of the two Koreas since the peninsula was divided after World War II. The three-day meeting is to start July 25 in Pyongyang, the North Korean capital.

"What we want is a package which would minimize change and turbulence, but I can assure you his package would create very big changes."

Socialist as Leader Raises Fears Among Japan's Businesses

By Steven Brill
International Herald Tribune

TOKYO — After decades of

mutual back-scratching when the Liberal Democrats governed Japan and held out a corporate safety net, big business had just come around to the more laissez-faire ideas espoused by the coalition governments that took over last July.

So the election Wednesday of a Socialist as Japan's next prime minister elicited a degree of shock and apprehension from a business community fearful that the new, deeply divided and unstable government will freeze — if not roll back — economic reforms needed to lift Japan out of recession.

The election also raised immediate worries that a lack of progress in trade talks with the United States will push the yen even higher against the dollar, tightening the stranglehold on Japanese exports. Indeed, the Japanese currency jumped to a postwar record and, meanwhile, the U.S. trade representative, Mickey Kantor, said the incoming Japanese government might delay progress in the trade talks.

"I feel very uncomfortable, very strange," said Yotaro Kobayashi, chairman of Fuji Xerox Corp., earlier in the week when asked to contemplate Tomiochi Murayama as prime minister. "Being run by the Socialists is kind of anti-trust."

Japanese prime ministers like to bear small gifts when meeting U.S. presidents, but Mr. Murayama will be largely empty-handed when he encounters President Bill Clinton at the summit meeting of leading industrialized nations next week in Naples.

"Policy differences within the coalition are just too immense; we're unlikely to see any concrete proposals," said Kenzo Sasaki-Smith, chief economist at Morgan Stanley in Tokyo.

Mr. Murayama will be unable, for instance, to follow through on a pledge to expand Japan's domestic demand by holding some experienced politicians from among Liberal Democrats, the largest group within the coalition. One potential candidate for finance minister, for instance, is Ryutaro Hashimoto, who formerly held the office but resigned due to scandal several years ago.

The Liberal Democrats have

guys with deep ties to the bureaucracy and the business community," said Jesper Koll, economist at S.G. Warburg Securities. "But the way back towards old-style influence-peddling is not seen as the way forward, either for the business community, the bureaucracy or financial investors."

His government does at least hold some experienced politicians from among Liberal Democrats, the largest group within the coalition. One potential candidate for finance minister, for instance, is Ryutaro Hashimoto, who formerly held the office but resigned due to scandal several years ago.

In the 21 years spent in Parliament prior to becoming party chief, Mr. Murayama built up a reputation as a competent behind-the-scenes mediator, but seldom took open stands on such divisive policy issues as Japan's defense treaty with the United States, which Socialists' firebrands made it their life's work to battle.

As the Socialists' chief parliamentary negotiator, he took a tough stance in grilling the then-governing Liberal Democrats on their United Nations peacekeeping operations bill, which opened the way for Tokyo to send troops overseas for the first time since World War II.

The measure eventually passed despite the Socialists' ferocious opposition.

"Murayama is an 'Asian-style' politician who doesn't worry about political performances and has no distinct policy platform," Seishiro Fukuda, editor in chief of the party newspaper Shaka Shinpo, told Kyodo news agency.

"He is a harmonizer who will play a balancing role," Mr. Fukuda added.

OPINION

Virginia Doesn't Need Zhirinovsky

By Jim Hoagland

Washington — Oliver North and Vladimir Zhirinovsky, two names out of the headlines that don't usually connect. But the would-be senator from Virginia and the Russian chauvinist steamed along parallel political tracks. They pandered to frustrated and angry voters consumed by an overwhelming sense of loss of their country.

All politics are local, in Tip O'Neill's overworked phrase. But all politics have echoes, too. Mr. North's campaign in Virginia can help Americans understand the dynamics and appeal of the extreme form of nationalism that Mr. Zhirinovsky represents in Russia.

And despite the enormous differences involved, the destructiveness of Russia's politics of despair holds lessons for Virginians tempted to pursue a fantasy political life by voting for a man totally unqualified in temperament and character to serve in Congress.

They can send Washington a message, and a problem, by electing Mr. North. That might seem fitting, and fun, to them. But in the guise of finding a true form of conservatism, Mr. North's supporters travel a road of self-delusion that if unchecked ends in Mr. Zhirinovsky's nihilism and neo-imperial rantings.

The two men are two sides of the same political coin. They express contempt for the established order and blame that order for a national decline that they promise to reverse.

So do many other politicians, from Minneapolis to Manila. But something more unites the Marine Corps colonel who took the Reagan White House for a ride on the wild side in the Iran-contra affair and the racist, atavistic Russian politician who stunned Boris Yeltsin by capturing 25 percent of the vote in last December's parliamentary elections.

The separate but similar nationalisms that both express are raw and crude, reeking of claims of manifest destiny and divine inspiration. They are not simply charlatans. They are geopolitical charlatans who would reassess a lost national greatness by intimidating smaller countries and dominating neighbors.

That was Mr. North's style with Central America when he was in the White House. (Nicaraguans were sturdy enough to survive both the Sandinistas and Oliver North, an astonishing accomplishment.) In the name of restoring American greatness, Mr. North would (and did) override both national and international law. His brand of nationalism justified every action that he took.

He trounced Congress, lied under oath and ultimately blamed Ronald Reagan for his own failures. In such deceit his followers find the path to the only truth. They deude them-

selves as thoroughly as do those Russians who believe with Mr. Zhirinovsky that using an atomic weapon on the Japanese now and reclaiming East Germany would restore Russia's claim to greatness.

The surface similarities of their constituencies provide a link between two men who would deny any affinity. Their supporters pursue payback politics, demanding compensation for losses they feel.

The sense of loss that Mr. Zhirinovsky manipulates is physical and immediate. Russians lost big chunks of what they long considered "their" country through the breakup of the Soviet Union and the precipitous decline in living standards that has followed.

Their anger and frustrations provide fertile ground for a talented demagogue who asserts the right of Russian domination in its "near abroad," the former Soviet republics that border on Russia.

It is a long way from that chaotic

situation to the relatively prosperous and settled scene in Virginia.

But listen to the voices of Mr. North's hard-right supporters and

The Washington Post.

LETTERS TO THE EDITOR**The Population Fray**

Regarding "Cardinals Dive Into the Population Fray" (June 15):

This report on opposition by the Roman Catholic cardinals to proposals approved in preparatory meetings for the International Conference on Population and Development lacks perspective on contemporary human demographic realities.

World population today stands at 5.5 billion. A number of environmental and agricultural scientists contend that our planet has already exceeded its carrying capacity. But Earth's human numbers continue to grow by nearly 100 million annually.

More than 90 percent of this increase occurs in the developing world. Fifty-five countries are currently on course to double their population in 25 years or less.

For many in these countries, mere survival is already a daily struggle. Yet the governments of these poor countries must double their schools, hospitals, employment opportunities and all basic services within the next quarter of a century, just to maintain current living standards.

When religious leaders express vigorous opposition to policies aimed at alleviating poverty, hunger and malnutrition, at suppression of enslavement of women, child abandonment and unemployment, they contribute to the disintegration of

the very human and family values that they profess to espouse.

Fortunately, an overwhelming majority of the more than 160 delegations to the preparatory meetings appear to support these policies. Scant few are expected to buckle under the extreme pressure that the Vatican is exerting.

WERNER FORNOS,
President,
The Population Institute,
Washington.

Religious imperialism is the danger that the delegates at the conference and people worldwide have to recognize and resist.

ANNE F. HERDT,
Val d'Illiez, Switzerland.

As women throughout the world know, pregnancy, birth and motherhood are extremely complex, transformative experiences that engage the whole person. All population control policies should be approached with caution if not with outright skepticism, for by transforming this complex personal experience into a "problem" that needs to be solved by so-called experts, such grand policies have a natural tendency toward exploitation and manipulation — especially when the "problem" is in the Third World and the "experts" are

from advanced industrial nations. For this reason, I applaud the cardinals' warning against "cultural imperialism" at September's world conference on population problems in Cairo. This warning should be sounded loudly, strongly and repeatedly.

PATRICIA DONOHUE,
Feldkirch, Austria.

Carter to the Rescue?

Former President Jimmy Carter's triumphant return from North Korea makes me think how shortsighted it was of George Bush not to avail himself of Mr. Carter's services after Saddam Hussein invaded Kuwait. Clearly, the Gulf War could have been avoided.

Of course, Iraq would still be in possession of Kuwait, and would possibly by now have been in possession of nuclear weapons. However, the United States would have avoided the terrible gaffe of insulting Iraq and branding its leader as a criminal.

We should all give thanks that Mr. Carter seems to be helping the United States to avoid those errors in the case of North Korea. Or am I wrong, and have U.S. actions descended to the level of imbecility?

H. THORNTON,
Hong Kong.

A Monitor on Minorities

In my column of June 17 ("Three Steps to Tame Tribalism and Unify Europe"), the information about the Conference on Security and Cooperation in Europe is out of date. In fact, the CSCE has appointed a High Commissioner on National Minorities. Max van der Stoel, the former Dutch foreign minister, and the commission's office in The Hague is actively monitoring minority tensions in Eastern Europe and elsewhere.

ARTHUR SCHLESINGER Jr.,
New York.

The office of High Commissioner on National Minorities for the CSCE was approved by heads of state during the July 1992 Helsinki summit meeting. Mr. van der Stoel has carried out the duties of that office very capably since that time.

Mr. van der Stoel has advised governments and interest groups on ways to find concrete solutions to the problems of minorities in Albania, Estonia, the former Yugoslav republic of Macedonia, Greece, Hungary, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Romania, Serbia, Slovakia and Ukraine.

Mr. van der Stoel's work has been among the most effective of the CSCE's many pioneering preventive diplomacy efforts. His "quiet diplo-

The Governor to Her Girls: Take Charge of Your Life

By Ann W. Richards

AUSTIN, Texas — You may find this hard to believe, but your governor often finds herself listening to Saturday morning television. And I have, on occasion, landed on a program that is a sort of idealized vision of life with the in-crowd in high school. I noticed that on this show the boys are always doing adventurous, daring kinds of activities.

MEANWHILE

And the girls are doing passive things like having slumber parties, gossiping about boys and sucking on soda straws.

By and large, it doesn't seem too different from the background noise when I was growing up.

You cannot count on Prince Charming to make you feel better about yourself and take care of you — like some fun-house mirror that reflects you at twice your real size. Prince Charming may be driving a Honda and telling you that you have no equal, but that won't do you much good when you've got kids and a mortgage — and he has a beer gut and a wandering eye.

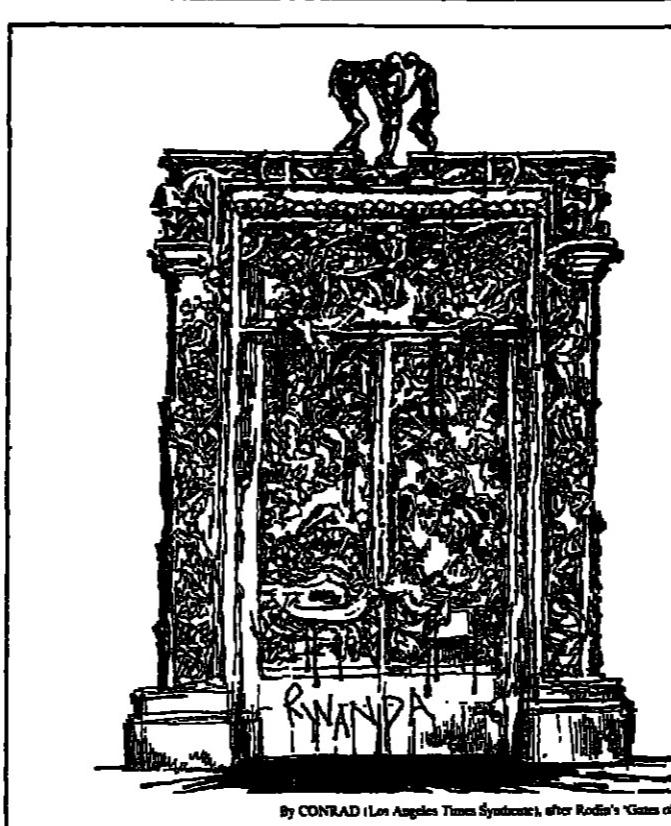
In the real world, half of all marriages end in divorce. And more than 70 percent of divorced women find themselves slipping toward poverty. The vast majority of American families are headed by parents who both work or by mothers trying to rear their kids pretty much by themselves. The only person you can count on to be there when you need help is you.

If there is one single thing that holds women back at the higher levels — that keeps us from being more than tokens or exceptions that do nothing to break the strength of the old rules — it is our reluctance to face the reality of money.

In politics, money must be raised. You have to work hard to raise it. It is no different than getting money for a car, or money for a house. Or money to start your own business. You've got to be willing to do the heavy lifting and the decision-making and earn or raise the money to do it.

You've got to be willing to take charge of your life and responsibility for yourself. That is the only way you will be able to please yourself in the long run, and the only way you can be sure you did not cheat yourself along the way.

The writer, governor of Texas, spoke on Monday in Austin at the 50th anniversary gathering of Texas Girls State, a convention of high school student leaders. These excerpts were adapted by The New York Times.



By CONTRA (Los Angeles Times Syndicate), after Rodin's 'Gates of Hell.'

Calling your international sites
is invaluable to your business.

Now we can make it
up to 50% less expensive.

International Virtual Private Network

With an International Virtual Private Network (IPN) from France Telecom, your European organization can save up to 50% when calling company sites across Europe.

What's more, an exclusive "On Net/Off Net" feature allows you to realize substantial cost savings when calling anywhere in North America, Europe and the Pacific Rim compared to IDDD rates.

Highly flexible, a France Telecom IPN can be adapted to meet your company's changing requirements quickly and cost-effectively.

It means you'll be connected to high-quality, high-security, global network services as well as around-the-clock network support backed by France Telecom's skilled network management team.

To learn what your company can gain from France Telecom's International Virtual Private Network, call your local Sales Representative:

Amsterdam, Jean-Jacques de Pins at (+31) 25 038 24 00
Brussels, Thomas Hassaine at (+32 2) 923 99 11
Frankfurt, Fernand Neu at (+49 69) 66 98 120
London, Jill Spackman at (+44) 71 379 47 47
Madrid, Pascale Benkemoun at (+34 1) 577 93 64
Rome, Gérard Barboux at (+39) 6 699 07 78
Stockholm, Monique Mouille-Zetterström at (+46) 8 619 31 00



France Telecom

Armani At 60: He's No. 1

Milan Menswear Takes Suits Out of Doldrums

By Suzy Menkes
International Herald Tribune

MILAN — Giorgio Armani proved Wednesday that he is fashion's Forza Italia. The menswear show that marked his 60th birthday and 20th year in business was a symphony of subtle color and an ode to the shapely suit, yet kept to the designer's philosophy of simplicity and comfort. As the silver-haired Armani took his bow after a collage of this-is-your-life photos, he received a standing ovation.

"I wanted to show something very clean with a spirit of serenity — and that men don't have to be macho and virile — they can be poetic; that's my dream," said Armani, who closed the summer 1995 menswear season.

Proof of his commercial clout came earlier, when influential store presidents gathered in Armani's apartment to toast him as their Numero Uno. He is the best-selling menswear designer in the world.

Leading retailers included Philip Miller of Saks, Burton Tansky of Neiman-Marcus, Kalman Ruttstein of Bloomingdale's and Gene Pressman of Barneys. Their collective memories go back 20 years to Armani's start-up with his late partner Sergio Galleotti.

"We bought the first collection under a bare lightbulb in a room half the size of this. Armani changed the way we feel about clothes, and he deserves all the credit," said Dawn Mello, president of Bergdorf Goodman, whose fashion director, Elin Saltzman, was fired Monday.

ARMANI's innovations were in the slithering viscose-mix fabrics and displayed an artist's eye in his mix of woven checks and stripes — each piece seemingly interchangeable. Franco Moschino alluded to Italy's ethnic minorities in a photocopy of African heads and an Indian street market scene on his impeccable double-breasted jackets (a current trend). Katharine Hamnett had pastel gingham suits with spread-collared shirts and sandals with lacquered toenails.

Some designers just try too hard to be hip. With his elegant tailoring, Valentino showed the giddy in his soles. There were sandals, bandanas around the necks, belts juggling with coins, fling-on-haws, shirts hanging loose and even a rope between the teeth.

Krista Uomo was a glam rock trip where models gyrated in iridescent suits or wore ridiculously wide mock-neck panty. Trussardi had chalky pastels, suns, suede, and its signature leather travel bags. At Fendi Chic, luxury sportswear included natural-colored linens and crunchy-textured knits. Antonio Fusco invented new luxury fabrics like cashmere and cotton for a blaze in bright coral. Oscar de la Renta's show Wednesday had plumes of quiet drama in sand and marine.

Etro demonstrated class and craft with patterns and weaves industrially made but looking like mano di madre — handmade by mom.

The trends of the season? A return of colors — bright or pastel — with gris as the new neutral; iridescent and shiny plastic fabrics; jeans, sequins and shirt collars spread over lapels. The hard news? The return of the suit with slimmer pants and body-conscious jacket for a new generation.



Courtesy of MoMA

'Junk' DNA May Be Flea Market Treasure

By Natalie Angier
New York Times Service

NEW YORK — In recent times, the twisted, viscous molecular celebrity called DNA has been described by any number of lofty metaphors. It is the book of life. The master molecule. The blueprint for a human being.

Yet to some researchers who consider the whole molecule, and not just the individual genes arrayed along its chemical coils, a few more homespun comparisons might better apply: DNA as your grandmother's attic, for example, or the best little flea market in town.

And still others say human DNA should be thought of as a sort of microscopic ecosystem, an invisible habitat teeming with competing bits of genetic material that often behave like benign yet selfish parasites, utterly indifferent to the needs of the human host cell in which they persist.

These analogies spring from recent explorations of the vast regions of the double helix that do not serve as recipes for creating the body's proteins, regions often given the pejorative description of junk DNA.

Of the 3 billion chemical building blocks, or bases, that make up human DNA, a mere 3 to 5 percent rate as coding regions — the genetic instructions for generating hormones, collagen, hemoglobin, endorphins, enzymes and all the rest of the body's proteinaceous work force. That leaves millions of bases to account for, sentence upon page upon volume of genetic interlopers that infiltrate an animal's chromosomes.

Still other noncoding stretches may be buffers against precipitous change, serving rather as flak jackets to absorb the impact of viruses and other genetic interlopers that infiltrate an animal's chromosomes.

pass do not seem to say anything. Gibberish, filler, Styrofoam, junk, and all of it crammed into the core of nearly every cell of the body.

But one person's junk may be somebody else's treasure. Researchers are learning that much of this noncoding DNA must play essential roles in the performance of the genes embedded in it.

They have determined that certain sequences once thought to be unnecessary and thus not subject to the same corrective forces that keep genes intact from one generation to the next in fact are highly conserved: they have remained pretty much the same chemically over tens of thousands and in some cases millions of years of evolution, just as genes often do, which means this supposed junk must be indispensable to the organisms bearing it.

In some cases, the junk is thought to act as subtle enhancers of genes, turning their activity up from a murmur to a shout. In other cases, the junk tells the chromosomes what shape they are supposed to be as they are flexed and pleated into the nucleus of the cell.

Certain regions of junk may act as reservoirs of change, allowing the DNA to be more easily shuffled, mutated and rearranged into novel patterns that hasten evolution along.

While financial pragmatists have counseled sticking with decoding the tiny regions of the genome that contain the 50,000 to 100,000 genes proper, those who wallow in junk insist that all 3 billion bases deserve attention. They suspect many of the most interesting insights into human evolution and large-scale genomic logic will come from looking

How 'Junk' DNA Evolved Surprise Source Emerges

Examining the human genome, like the Alu sequences, researchers realized the sequences were not random. Instead, they found important function. This led to the discovery of DNA sequences that are both distinct and similar, and that are scattered throughout the genome.

The New York Times



including humans. They have long been viewed as the meaningless remnants of an ancient impact event, the insertion of a virus-like bit of DNA into a proto-monkey's chromosomes that was never tossed out because it did no harm.

However, Dr. Britten proposes that, whatever their origin, the Alu sequences have since been drafted into duty by the primate host, perhaps to serve as subtle modulators of the genes they are near.

He said that the Alu sequences are too highly conserved to be explained away as useless molecular bobs.

"It may be on the edge to claim that what's been considered the preeminent junk is under selective pressure and is probably carrying out some function," said Dr. Britten in a telephone interview. "But I take the general position that if there's something ubiquitous around, it will get used."

THese sequences, called Alu sequences, are short, repetitive strings of about 280 DNA bases apiece, which are scattered widely throughout the chromosomes of all primates.

These sequences, called Alu sequences, are short, repetitive strings of about 280 DNA bases apiece, which are scattered widely throughout the chromosomes of all primates.

Fluids moved with changes in posture and that sent signals to the brain to help maintain balance. Thus it is reasonable, the researchers argue, that evolutionary changes in normal posture would be accompanied by changes in the shape of the canals.

Bernard Wood, a paleoanthropologist at the University of Liverpool, and colleagues scanned the inner ears of several fossil hominids and compared them with those of modern human beings and modern apes. They found that the modern groups differ in significant ways, presumably reflecting differences in posture.

Among extinct hominids, the only species in which the inner ears consistently resembled those of modern humans were members of the species *Homo erectus*, the immediate ancestor of *Homo sapiens*. In contrast, the CT scans of australopithecines look like those of apes. And the inner ears of a species intermediate between australopithecines and *Homo erectus* — *Homo habilis* — gave conflicting results. One of the two specimens examined looked human but the other resembled neither group.

Dr. Wood and colleagues conclude that *Homo erectus* was the first full-time biped in the human family, and that earlier species had "locomotor repertoires" that included upright walking and arboreal climbing.

Tracing Early Man's Steps to Upright Walking

By Boyce Rensberger
Washington Post Service

WASHINGTON — British and Dutch scientists have found a new kind of skeletal evidence that they say suggests the first hominids to walk on two legs were not full-time bipedalists.

Instead, the researchers contend in the journal *Nature*, creatures such as the australopithecines — including the type whose most famous member is nicknamed "Lucy" — may have divided their time between two-legged walking on the ground and four-legged climbing in trees.

The researchers are not the first to

challenge the idea of full-time bipedalism in the earliest hominids. The slightly curved finger bones of the Lucy species, for example, have suggested to some that she and her kind, called *Australopithecus afarensis*, regularly climbed in trees like apes.

But the image of a virtually modern form of walking has been powerfully supported by the finding of *A. afarensis* knee and hip joints clearly shaped for upright posture and the trail of modern-looking footprints that a pair of hominids made in Tanzanian volcanic ash during the time of Lucy.

The new evidence consists of CT scans of the body remains of the inner ears of fossil hominids. In life, these contained the vestibular canals in which

fluids moved with changes in posture and that sent signals to the brain to help maintain balance. Thus it is reasonable, the researchers argue, that evolutionary changes in normal posture would be accompanied by changes in the shape of the canals.

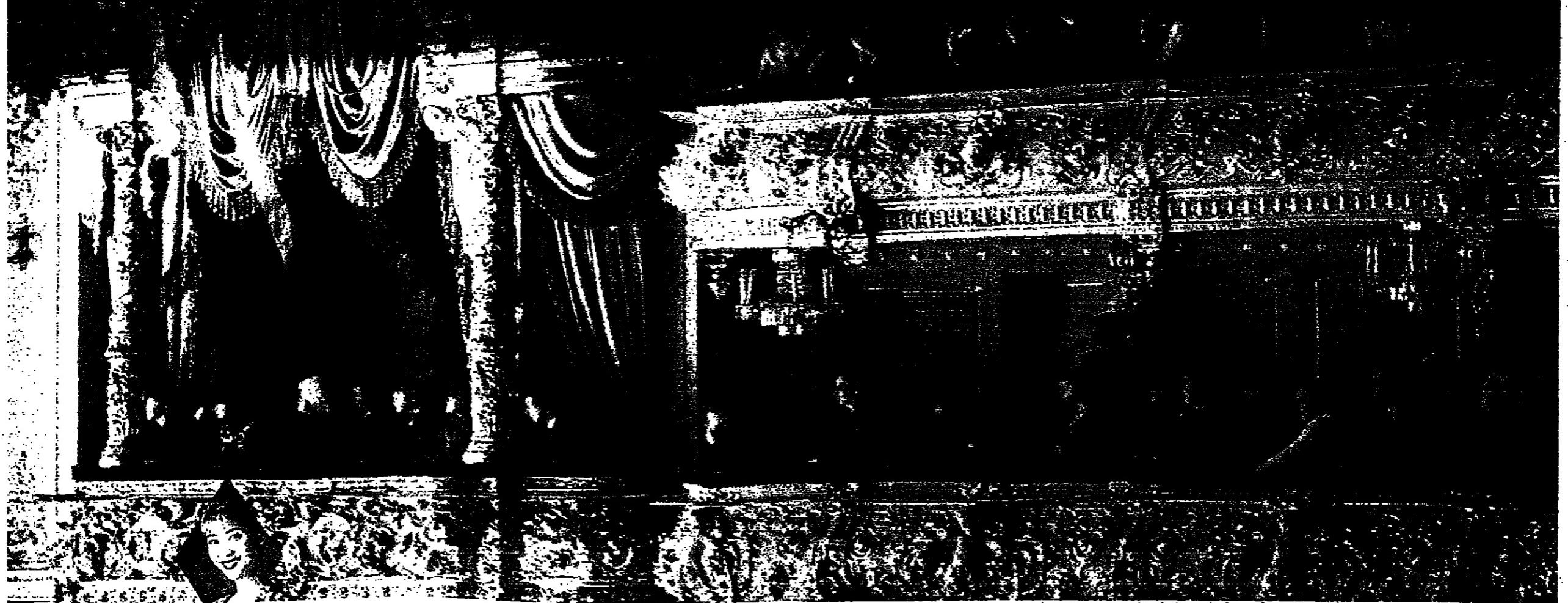
Bernard Wood, a paleoanthropologist at the University of Liverpool, and colleagues scanned the inner ears of several fossil hominids and compared them with those of modern human beings and modern apes. They found that the modern groups differ in significant ways, presumably reflecting differences in posture.

Among extinct hominids, the only species in which the inner ears consistently resembled those of modern humans were members of the species *Homo erectus*, the immediate ancestor of *Homo sapiens*. In contrast, the CT scans of australopithecines look like those of apes. And the inner ears of a species intermediate between australopithecines and *Homo erectus* — *Homo habilis* — gave conflicting results. One of the two specimens examined looked human but the other resembled neither group.

Dr. Wood and colleagues conclude that *Homo erectus* was the first full-time biped in the human family, and that earlier species had "locomotor repertoires" that included upright walking and arboreal climbing.

MEGATOP 747

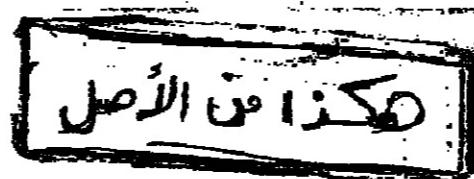
YOUR PERSONAL CINEMA SYSTEM MEANS YOU'RE GUARANTEED THE BEST SEAT IN THE HOUSE



First and Raffles Class passengers can now look forward to something interesting on board Singapore Airlines' exclusive MEGATOP — their own Personal Cinema System. With an individual six-inch video monitor, you can enjoy a choice of six channels of entertainment including movies, sports, comedies and current affairs. High-fidelity headphones provide clarity in sound while selected channels offer a dual language facility. Other enhancements on board our expanding MEGATOP fleet include CELESTEL, the first truly global sky telephone and inflight fax service, and advanced new seating in all classes. With as always, inflight service even other airlines talk about. MEGATOP — more than you ever imagined. SINGAPORE AIRLINES

This enhancement is available on over 70% of our exclusive MEGATOP 747, with the rest of the fleet being progressively equipped.

750A



MARKET DIARY

GROWTH: Consumers Fuel GPD

Continued from Page 9
find signs the economy is moving ahead," he said.

The expansion in the last three months of 1993 — the largest in a decade — prompted the Fed to raise short-term interest rates four times this year to head off inflation.

Rising interest rates are expected to slow the economy this

Stock Prices Zig-Zag

U.S. stocks reversed early gains on Wednesday and closed slightly lower in spite of a stronger bond market. Bloomberg Business News reported from New York.

The Dow Jones industrial average fell 2.59 points to 3,667.05 after rising as much as 30.76 points. Losers slightly outpaced gainers, and volume on the New York Stock Exchange totaled 263.89 million shares, up from 265.29 million Tuesday.

Stocks received some encouragement from the U.S. gross domestic product report. Even though first-quarter GDP grew more than expected, analysts said the data showed that inflation remained under control.

Even so, analysts expected gains in stock prices this week to be limited by the dollar's weakness and by questions about whether the Federal Reserve might raise interest rates at its policy-making committee meeting in Washington on Tuesday.

The benchmark 30-year U.S. Treasury bond's yield rose as high as 7.56 percent before settling back to close at 7.51 percent from Tuesday.

In the last hour and a half of trading, three computer-generated sell programs shaved earlier gains in major market indexes, according to Birinyi Associates Inc.

UAL rose 2% to 127.8. The \$4.9 billion employee buyout plan for the parent of United Airlines was endorsed late Tuesday by a leading adviser to institutional shareholders.

DOLLAR: Yen at Record High

Continued from Page 9
cent increases. This would in turn free the Fed to tighten a bit more later in the year if the U.S. economy improves.

The American Bankers Association economic advisory committee forecast Wednesday that

Foreign Exchange

the Fed would add another quarter to half a percentage point to short-term interest rates by the end of the year, and that this would help lift the dollar back to 105 yen.

This could happen sooner and end the present crisis, said Allen Sinai of Lehman Brothers Global Economics. If Mr. Clinton could work out a deal at Naples for Japan and Germany to cut rates by half a percentage point and for the Fed to raise them.

Dollar Makes Gains

The dollar posted moderate gains against other European currencies.

It rose to close at 1.3355 Swiss francs on Wednesday, up from a closing rate of 1.3275 francs on Tuesday, and climbed to 5.4105 French francs from 5.4105 francs. The pound slid to \$1.5525 from \$1.5525.

Dealers said volume was fairly strong throughout the session and that there had been fairly heavy selling of the U.S. dollar whenever it rose toward the level of 1.5875 DM.

BANKS: Germans Level Criticism at Troubled Banking Establishment

Continued from Page 9

changes in wealth and quality of life that there is an inclination toward collective security," he said, citing the German system of social benefits and retirement and nursing care insurance.

Hilmar Kopper, the Deutsche Bank chairman, is one who has voiced exasperation: "What would banks have to do and not do in order to find public favor?" he asked shareholders.

"This is beyond anyone's powers of imagination."

There are many critics, however, who quite specifically spell out what it is they want:

• Eikehard Wenger, a professor of business in Würzburg who has won a reputation as a gadfly at shareholder meetings across Germany, has won grudging sympathy from many bankers with frequent calls for greater disclosure of banks' stakes in industry and of their hidden reserves. Currently,

banks do not have to disclose an industrial shareholding unless their stake is greater than 10 percent, and a new law would lower the barrier to 5 percent.

• The opposition Social Democratic Party, which hopes to wrest power from Chancellor Helmut Kohl's center-right Christian Democratic coalition this fall, has proposed 30 specific changes in six German laws to mandate more transparency and greater competition

• There is growing alarm at the fact that around 30 percent of all German bankruptcies involve corruption and that the culprits are seldom prosecuted. Though those responsible are generally ruined beyond repair, Michael Bretz, a spokesman for Creditreform, a leading German watchdog on insolvency cases, said it was remarkable that the percentage, although it was an estimate, showed no signs of shrinking.

Former BCCI Directors Sue Sheikh

NEW YORK (Bloomberg) — Three former directors of Bank of Credit & Commerce International filed a lawsuit Wednesday accusing Abu Dhabi's chief of state of conspiring with the bank's top executives to conceal its illegal activities.

The lawsuit, filed in New York State Supreme Court in Manhattan, seeks \$100 million in damages from Sheikh Zayed bin Sultan Nahyan and other Abu Dhabi officials for allegedly destroying the former directors' reputations.

Sheikh Zayed was the controlling shareholder of BCCI, the Luxembourg-based concern was shut down by regulators throughout the world in 1991 after audits of the bank turned up instances of massive fraud.

Dart Family Sues Brazil and Banks

NEW YORK (Bloomberg) — The Dart family, seeking to scuttle Brazil's restructuring of \$49 billion in foreign debt, filed a lawsuit against the Bank of Brazil, the country's central bank, Banco do Brasil SA, Brazil's largest state-owned commercial bank, and Citibank.

The family, which owns Dart Container Corp., is Brazil's fourth-largest creditor, with \$1.4 billion in bonds. It rejected a mix of debt that Brazilian officials offered the family in the restructuring, which was completed April 15.

In the suit, the Darts asked a federal judge to order Cubanamex, a steering committee of 19 banks that helped Brazil exchange its debt for new bonds and other securities.

Retail Coffee Prices on the Way Up

NEW YORK (Bloomberg) — Procter & Gamble Co. and General Foods Inc. raised prices Wednesday on their Folgers and Maxwell House coffee brands, respectively, after coffee prices surged in the commodities market this week.

Nestle SA, which makes Nescafe, Taster's Choice and Hills Bros. brand coffee, said it had no immediate plans to raise its prices. "In our view it's too early to make any forecasts," said Miguel Garrote, a spokesman for Swiss-based Nestle.

A heavy frost hit the main coffee-growing region in Brazil last weekend, damaging already ailing crops.

U.S. Mutual Fund Sales Fell in May

WASHINGTON (Reuters) — Sales of stock, bond and money mutual funds totaled \$35.1 billion in May, down from \$40.6 billion in April and \$37.2 billion in May 1993, the Investment Company Institute said Wednesday.

The mutual fund industry's trade group said stock fund sales totaled \$19.4 billion in May, compared with \$22.7 billion in April and \$15.8 billion in May 1993. Bond and income funds registered \$13.6 billion in sales, compared with \$17.9 billion in April and \$21.5 billion in May 1993.

SEC Approves New Rules on Nasdaq

WASHINGTON (Bloomberg) — The U.S. Securities and Exchange Commission approved two rules Wednesday that could change the way stocks are traded on the over-the-counter market, the world's second-largest equity market by dollar volume.

One rule is designed to curtail sharp price drops caused by short-selling in Nasdaq National Market stocks, while the other prohibits securities firms from trading ahead of customer orders. Both rules were proposed by the National Association of Securities Dealers, the self-regulatory organization that runs the Nasdaq, and go into effect Sept. 6 for an 18-month pilot period.

Blockbuster to Acquire Virgin Unit

FORT LAUDERDALE, Florida (Bloomberg) — Blockbuster Entertainment Corp. and its 70.5 percent-owned Spelling Entertainment Group Inc. said Wednesday they planned to take control of Virgin Interactive Entertainment PLC, a maker of video games.

Blockbuster reached an agreement with Virgin Group to buy 50 percent of Virgin Interactive from Richard Branson's Family Trusts and certain other shareholders, boosting its interest in the video game company to 75 percent.

Virgin shareholders will keep 10 percent of Virgin Interactive, which Blockbuster may also acquire under certain circumstances.

Garage Door Maker Adds Openers

DALLAS (AP) — Overhead Door Inc., which makes garage doors, said Wednesday it would pay \$184 million to acquire Genie Co., an Ohio-based maker of garage-door openers.

World Stock Markets

Agence France Presse June 29

CLOSE PREV.

AMSTERDAM

ABN Amro Hd 59.50 58.10

Alfa Holding 2.70 2.65

Algemene 72.70 74.50

Ahold 5.40 5.40

Alstom 16.40 16.40

Alusuisse 78.00 69.70

Alveo 34.70 34.70

Alvista 151.10 142.40

Alstom 151.10 142.40

Strong Yen Threatens Steel Sales to China

Agence France-Presse

TOKYO — Talks between Japanese steelmakers and Chinese importers have broken down, leaving the world's biggest producers threatened with loss of the world's most populous market, industry executives said Wednesday.

The loss of Chinese business would be a severe blow to Japanese steelmakers already hit by the surging yen because China absorbs a major share of Japanese steel exports.

A spokesman for Nippon Steel Corp. said biannual talks with Chinese importers had broken down for the first time in 20 years, because of differences over prices.

Japanese steelmakers are pushing for steep price increases for ordinary steel products to reflect the stronger yen and tight world supplies. But Chinese negotiators are refusing the spokesman's said.

The two sides also failed to reach agreement on the quantity of ordinary steel shipments to China in the next six months, he said.

Japanese steel industry executives who have been in Beijing since mid-May are scheduled to return to Tokyo next week, where they will probably wait for an approach from China.

Japan exported \$2.96 billion of steel to China in the year ended in March, an 82 percent increase from the previous year. On top of the threat of losing

the Chinese business, Japan faces stiffer competition from South Korea, which has eaten down, leaving the world's biggest producers threatened with loss of the world's most populous market, industry executives said Wednesday.

Even some Japanese shipyards and carmakers have said they would use small quantities of Korean steel.

According to the newspaper Yomiuri Shimbun, some makers of electronic goods are considering doing the same, after Korean makers undercut the lowest Japanese prices by 20 percent. Sharp Corp. has confirmed that it is among these companies.

The Japanese steel industry is already running deep losses, with the five largest steelmakers having recently announced pre-tax losses totaling more than \$1 billion for the year that ended March 31.

■ Industrial Output Falls

Industrial production in Japan was 0.8 percent lower in May than it was in April and 1.4 percent lower than in May 1993, the Ministry of International Trade and Industry said Wednesday.

It was the second consecutive monthly fall in the ministry's index of mining and manufacturing output, after a 1.9 percent drop in April and an increase of 4.6 percent in March, ministry officials said.

The ministry forecast that industrial output in June would rise by 1.9 percent from May.

Taiwan Seeks a Higher Profile

But Old Ways Hinder Its Growth as a Business Center

By Kevin Murphy

International Herald Tribune

TAIPEI — Increasingly assertive in international trade and investment, Taiwan is campaigning to throw off its diplomatic isolation and transform itself into a regional center for business and finance.

Senior officials are being pushed toward new industrial policies by several forces: their government's bid to join the General Agreement on Tariffs and Trade, a feared exodus of Taiwan-based multinational companies and a growing interest among foreign corporations in basing themselves in China rather than here.

But without dramatic changes to old policies that have guarded Taiwan's business interests and helped its economy prosper, foreign business executives and analysts say, Taiwan's goals will remain elusive at best.

Creating a regional business center without air or shipping links to China and with tight restrictions on visas to the mainland — the legacies of 45 years of political confrontation — will require some imagination.

But Taipei appears determined. While it remains concerned that China will meddle in its affairs, it now appears to be placing less emphasis on trying to limit investment flows from Taiwan to the mainland, focusing instead on how to benefit from them.

"It's not an option for us; it's a necessity," Jason Hu, a senior government spokesman, said of the campaign to establish Taiwan as a regional center to rival Hong Kong and Singapore.

Taiwan's mounting wealth, its heavy industry and technology, as well as its proximity to China's central coast combine to make such a proposition feasible, at least in theory.

"We have to upgrade ourselves and be ready for the next century," said Mr. Hu.

"With or without reunification with China or a crisis in Hong Kong in 1997, we have to be prepared for greater competition in the region."

Wildly escalating property costs and the uncertainty engendered by Hong Kong's return to Beijing rule in 1997 could prompt executives there to consider Taiwan as an alternative, analysts say. A highly-educated work force with strong cultural and family links with China are strong attractions too.

"It's very logical for us to be positioned here," said Gene Carbone, president of

continuing ban on direct communications, transport and most investments in China remain obstacles for foreign companies based in Taiwan.

"Change will require major changes in Taiwan's administrative and financial structure as well as a complete overhaul of its mainland China policy," said a Western diplomat who insisted on anonymity. "The more one looks at it, the more problems appear."

An independent analysis carried out by foreign consultants commissioned by Taiwan's government has brought the size of the task into clearer focus.

A report by McKinsey & Co. found several major areas in need of substantial improvement, among them infrastructure, industrial production costs and openness of major economic development projects and investment for expatriate Chinese and foreigners.

Taiwan's Institute of Economic Research is more specific. It says the government must solve 69 major problems by revising a tangle of 284 sets of regulations that is serious about its goals.

But bureaucratic streamlining may be simple compared with making decisions about improving direct links with China, the core of domestic debate about Taiwan's political future.

"There appears to be a consensus among the foreign-based companies operating here that the aim is a legitimate aim," said Claude Haberer, Taiwan manager for Banque National de Paris and executive director of the European Council of Commerce and Trade.

"We know the political price Taiwan must pay, but if it wants to be regarded as an international business center there are some insurmountable obstacles the government must tackle. If no decisions are taken, it will be too late anyway. China itself is changing very quickly."

Creating a regional business center without air or shipping links to China and with tight restrictions on visas to the mainland will require some imagination.

Texas Instruments Taiwan Ltd., one of 15 corporations to have signed letters of intent with the Ministry of Economic Affairs that indicate a willingness to consider upgrading operations in Taiwan and using the island as a regional base.

"Taiwan is clearly the information technology center for the region," Mr. Carbone said. Texas Instruments Inc. now manages its area operations from Taiwan, 25 years after building its first manufacturing plant here. "Its manufacturers are spreading their business throughout Asia, and it is well positioned to benefit from China's growth."

But tight controls on capital flows, a restrictive bureaucratic tradition and a

continuing ban on direct communications, transport and most investments in China remain obstacles for foreign companies based in Taiwan.

"Change will require major changes in Taiwan's administrative and financial structure as well as a complete overhaul of its mainland China policy," said a Western diplomat who insisted on anonymity. "The more one looks at it, the more problems appear."

An independent analysis carried out by foreign consultants commissioned by Taiwan's government has brought the size of the task into clearer focus.

A report by McKinsey & Co. found several major areas in need of substantial improvement, among them infrastructure, industrial production costs and openness of major economic development projects and investment for expatriate Chinese and foreigners.

Taiwan's Institute of Economic Research is more specific. It says the government must solve 69 major problems by revising a tangle of 284 sets of regulations that is serious about its goals.

But bureaucratic streamlining may be simple compared with making decisions about improving direct links with China, the core of domestic debate about Taiwan's political future.

"There appears to be a consensus among the foreign-based companies operating here that the aim is a legitimate aim," said Claude Haberer, Taiwan manager for Banque National de Paris and executive director of the European Council of Commerce and Trade.

"We know the political price Taiwan must pay, but if it wants to be regarded as an international business center there are some insurmountable obstacles the government must tackle. If no decisions are taken, it will be too late anyway. China itself is changing very quickly."

Investor's Asia



دعا ملار

ADVERTISING SECTION

INTERNATIONAL HERALD TRIBUNE, THURSDAY, JUNE 30, 1994

Page 15

ADVERTISING SECTION

South Korea has symbolized robust economic development since it first began posting double-digit growth rates in the mid-1980s. Because of structural problems and a global recession, however, the economy has only recently regained momentum after three years of sluggish growth. Today, hopes are high in Seoul for a prolonged economic recovery based on strengthening domestic demand and exports.

SOUTH KOREA

TRADE PROSPECTS BRIGHTEN AS REFORMS GIVE ECONOMY A SECOND WIND

Although South Korea enjoyed large trade surpluses and averaged 13 percent growth rates in the mid-1980s, exports first began to sputter in late 1989, when it became apparent that the country could no longer compete by making labor-intensive, low-tech goods for export. Labor strife and rising wages had stripped South Korea of the comparative advantage it once enjoyed, and developing nations in Southeast Asia and China began pricing Seoul out of the marketplace.

In addition, because they failed to invest enough in research and development, South Korean companies were finding it hard to compete against advanced nations in the production of more value-added, high-technology exports. They tried to plug the gap by importing technology from nations like Japan. Skyrocketing royalty fees and a growing reluctance by Japan to part with its technology, however, left Seoul pinned between Asia's developing and advanced nations.

Although these are still concerns, South Korea's economic prospects have brightened recently. The nation's exports have been boosted by the appreciation of the Japanese yen, while domestic demand has improved. In addition, the business sector has been aided by President Kim Young Sam's efforts to decrease red tape and fight corporate corruption.

The South Korean economy grew at an inflation-adjusted 8.8 percent in the first quarter of the year compared with same period in 1993, the second-highest quarterly growth in two and a half years. A sharp increase in corporate facility investment and exports of merchandise propelled the higher-than-expected growth, according to the Bank of Korea.

Investment in equipment and plants expanded 20.2 percent in the first three months of the year, the highest growth since the first quarter of 1988. Manufacturing industries aggressively expanded their facilities investments on expectations that the economy will continue to stay strong throughout the remainder of the year.

In addition, exports jumped 9.8 percent in the first quarter, to \$19.95 billion, thanks to the continued appreciation of the yen and economic recoveries taking place in the United States and Europe, two of South Korea's most important export markets. Gross domestic product grew 9.1 percent during the first three months of the year compared with the same period in 1993.

Perhaps most important, the recovery has been accompanied by a structural shift in the economy from labor-intensive light industry to more advanced heavy industries like petrochemicals, shipbuilding, heavy equipment and auto manufacturing, according to economists.

Although external and internal economic factors have played a large part in corporate Korea's rebound, President Kim has also earned high marks for his aggressive economic reforms since taking office in February 1993. As a result, analysts expect that South Korea could be poised for a second economic take-off once Mr. Kim's vision of a "New Economy" is in place.

These plans are based on two underlying principles. First, the government is scaling back its control over the economy and promoting the autonomy of the public sector. Second, it is stressing that individuals should be rewarded according to their efforts. In the past, collusion between government and big business led to unfair competition.

As a result, Mr. Kim has undertaken a program of administrative deregulation. Although the government bureaucracy has shied away from relaxing its grip on the economy in the past, most analysts in Seoul think that the current administration has made significant progress toward realizing its ambitious plans. Mr. Kim's surprise enactment of a real-name financial transaction system last year and his moves to deregulate interest rates are proof of his determination, they say.

Corporations have taken the cue and are pushing to internationalize their operations and put more emphasis on prof-

itability and efficiency. "Everyone has been talking about business innovation and structural change, so competitiveness has increased as a result," says Lim Dong Sung, president of the Samsung Economic Research Institute in Seoul. "The new economy has put emphasis on strengthening competition in an open world."

Nevertheless, problems remain. While Western countries have had hundreds of years to develop their economies, South Korea's economic growth did not become significant until less than 40 years ago. Given this relatively short period of development, it is only natural that the economy should have growing pains, analysts point out.

For some, the development of new technologies seems the easiest way to strengthen South Korea's economic competitiveness once it loses the temporary advantage it is now enjoying because of yen appreciation. There may be no easy answers, however, says Kim Kak-choong, chairman of Kyungbang Limited. "Technology is the result of a period of hard work; it is no miracle." Mr. Kim says. "No matter how flexible you are, you cannot change overnight."

With its current economic upturn, however, South Korea seems to have bought itself more time to complete its rapid transition from a poor, war-shattered country to one of the world's most important trading nations.

From Chips To Ships

Hyundai Business Group, with over US\$58 billion in sales, continues to grow in a wide spectrum of business areas. From next generation 256M DRAM chips to satellite communications, creating tomorrow's global information superhighway. From a full line of passenger cars to all

types of commercial vehicles. From machine tools to the magnetic levitation train, the ideal mass transit system of the future. From turn-key engineering and construction projects to petrochemicals with advanced new material. From supertankers to some of the most sophisticated LNG carriers. Hyundai, with more than 30 R&D centers, working together, creating innovative synergies, innovative products.

HYUNDAI

Building A Better World Through Innovative Technology

SOUTH KOREA

ACTIVE INVESTMENT STRATEGY FOCUSES ON TARGETS IN ASIA

Woing foreign investors is a key part of South Korea's drive to globalize its economy. In the meantime, many South Korean companies have shown themselves eager to set up shop overseas.

During the mid-1980s, the South Korean government discouraged outward foreign direct investment (FDI). Economic planners were concerned about unemployment, the current account deficit and a hollowing out of the local manufacturing base. When companies did go overseas, it was largely to circumvent trade barriers, set up marketing channels in export markets or pursue technology transfer.

This began to change by the late '80s, when bureaucrats had no choice but to loosen the leash on South Korean companies eager to pursue outward FDI. Since 1986, high land prices, labor strife and rapid wage increases have outpaced productivity, forcing many of South Korea's labor-intensive, low-tech manufacturers to move overseas. Increased competition has forced them to look to the less-developed nations of Asia, Central America and Eastern Europe for cheaper labor.

As a result, the second type of South Korea's FDI — projects in advanced nations in North America and Europe — has lost prominence. Faced with the difficulties of being a foreigner in a far-off, unfamiliar, overseas market, South Korea's trade-related outward investment in

advanced markets has run into problems. This is a disadvantage for a country that is still completing the transition from labor-intensive manufacturer to more high-tech, international competition.

In 1987, there were 91 cases of outward FDI amounting to \$409 million, mostly involving trade and

Small and medium companies are looking overseas

natural-resource-related projects. That number climbed steadily over the next seven years, to a cumulative total of 3,909 cases worth almost \$7.4 billion as of February 1994. During this time, investment in developed nations became evenly divided between manufacturing and trade, while that in developing nations was concentrated in manufacturing.

Historically, most of outward FDI has gone to North America (40 percent) and Southeast Asia (38 percent), while Europe's portion has increased to 10 percent because of South Korea's efforts to diversify its markets. Outward FDI stalled in 1991, after the current account balance slipped into the red the previous year. It jumped up 54 percent last year, however, to 1,050 cases worth 1.8 billion, compared with 632 cases worth \$1.2 billion in 1992.

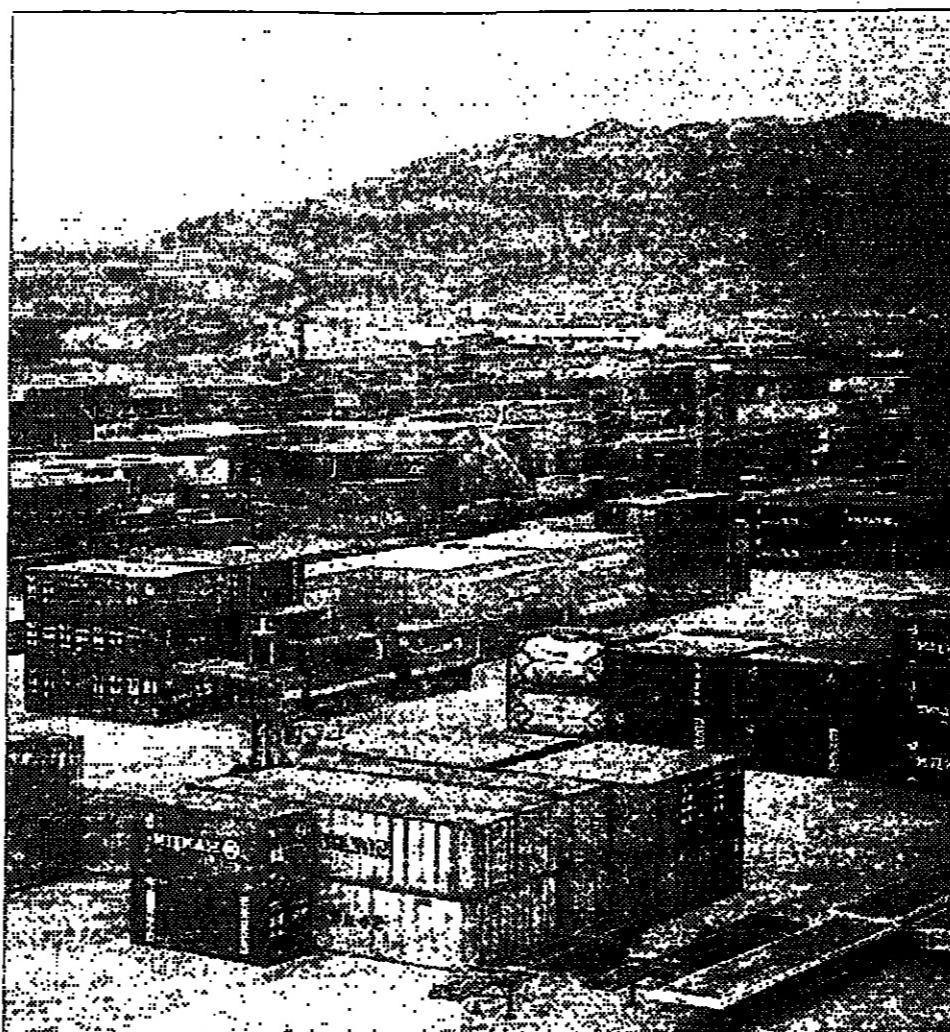
This increase has been accompanied by an increased

emphasis on Asia in recent years. South Korea's manufacturing investment in Asia is centered on labor-intensive products such as textiles, footwear, consumer electronics and electrical equipment.

During 1993, in terms of value, 50 percent of the approved outward FDI cases approved went to Asia, up from 48 percent in 1992. Investment in China, which started only in 1989, already amounts to \$309 million, making that country the second-largest receiver of South Korea's overseas investment in Asia after Indonesia. "This pattern should accelerate in the future as the *chaebol* begin to follow the small and medium-sized companies into China," says Kim Si-jong, a research fellow at the Korea Institute for International Economic Policy.

South Korea's outward FDI has recently become characterized by smaller, more numerous investments in Asia, largely made by smaller companies in search of cheap labor. In 1993, 81.8 percent of South Korea's outgoing FDI was made by such companies, up from 78.9 percent in 1992. "During the mid-1980s, most overseas foreign direct investment was made by large firms, but this has shifted to small and medium-sized companies since then, and is expected to continue," says Bae Chong Rye, a research fellow at the Export Import Bank of Korea.

Significantly, the average amount of South Korea's outward FDI per project



Exploring new markets is part of the recent evolution in foreign direct investment.

stood at only \$1.36 million at 1986. This figure increased to \$2.10 million in 1992, but slipped down to \$1.99 million last year. "The small average amount of investment per project reflects that many of them are associated with labor-intensive and assembly-oriented products," says Lee Hon-gue, a research fellow at the Korean Development Institute in Seoul. This has resulted in a much larger number of lower-priced investment cases centered on Asia, especially in recent years.

Analysts say this trend will be spurred by the problems South Korean manufacturers are experiencing in more developed markets. One well-publicized example of this was Hyundai Mo-

tor's decision last year to halt its plans to manufacture mid-sized cars in Canada for export to the U.S. market. Similarly, several South Korean electronics manufacturers are having second thoughts about their manufacturing and assembly operations in the United States.

"They have shown that they are much more comfortable moving operations into Southeast Asia and Eastern Europe than North America and Mexico," says Bruce Gonjua, an electronics analyst at Daewoo Securities in Seoul.

Part of the dynamic at work here is that South Korean companies are unfamiliar with the idea of globalization and often treat their foreign subsidiaries merely

as assemblers of products originating back in Korea. This approach ignores advantages available in foreign markets and often saddles foreign subsidiaries with the sluggish competitiveness of operations back home, analysts say.

Most important, corporate South Korea needs to retool its idea of what globalization means and how FDI can be used to obtain it, says Mr. Bae. "A transition is needed in the behavior of Korean firms, from passive FDI strategies geared toward getting around trade barriers or

taking advantage of lower factor costs, to active FDI strategies aimed at exploring new markets, sourcing new technology or establishing global networking," he says.

MARKET BECKONS OVERSEAS PLAYERS

Foreign investors are eager to increase their exposure to the Korea Stock Exchange, Asia's largest equity market outside Japan and widely considered to be the region's most attractive. Although the current stand-off with North Korea over its nuclear arms program has caused overseas investors to be more cautious at least, analysts say that the KSE offers great opportunity.

Unfortunately for those foreigners interested in the Seoul bourse, direct foreign investment has been restricted since the market was partially liberalized in January 1992. Authorized foreign ownership has been limited to 10 percent of the total outstanding shares in any single company and only 8 percent of the nation's steel and electric power companies.

The good news, however, is that the government is committed to gradually raising the foreign investment ceiling,

The foreign investment ceiling will be raised

and foreign brokerage houses are expanding their operations in the country in order to service the growing number of investors interested in the "Land of Morning Calm."

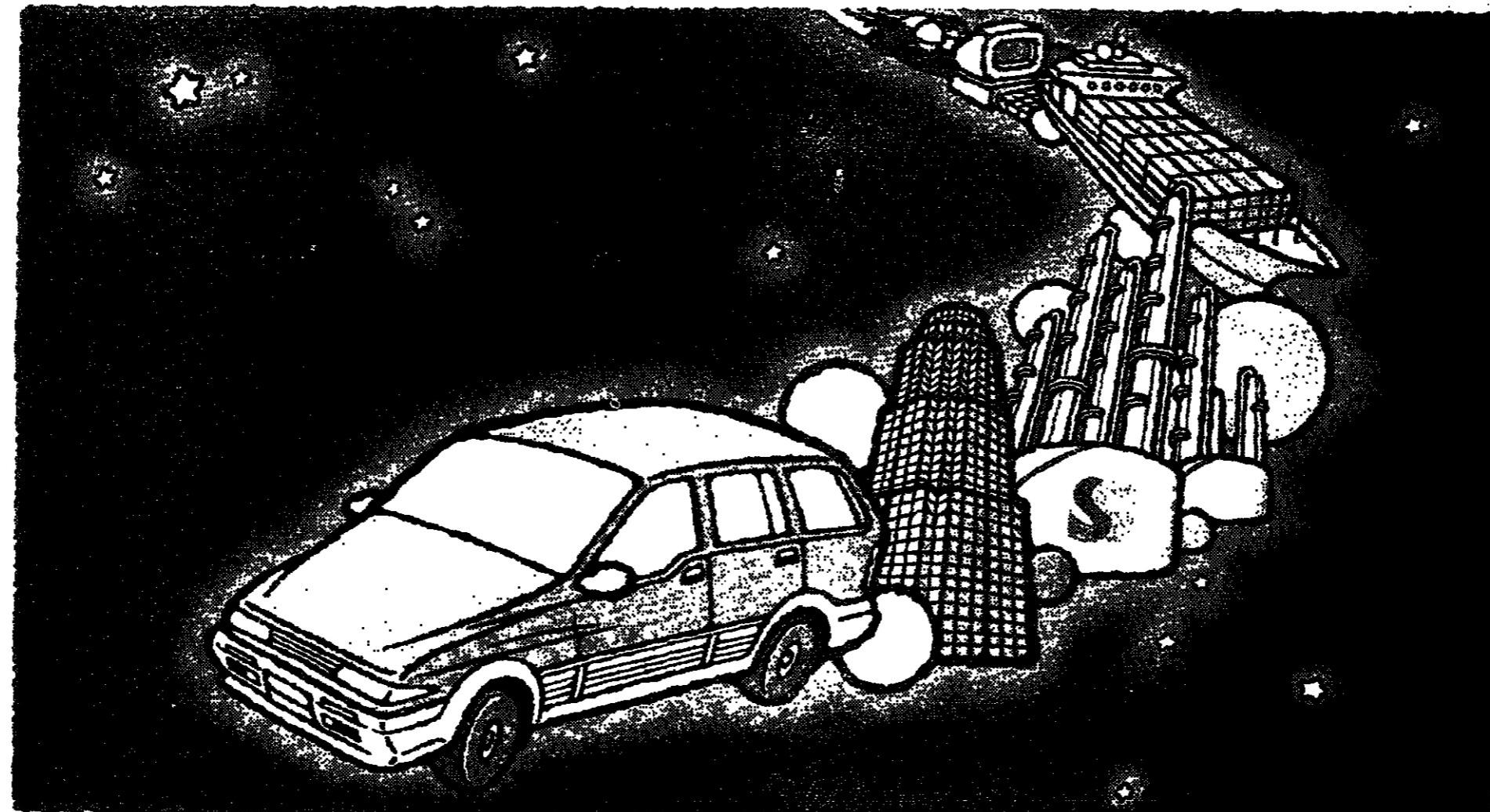
Established in 1962 with only 12 listed companies, the KSE caught fire in December 1985, coinciding with the growth spurt South Korea enjoyed during the late 1980s. The market grew at a heady pace and reached its all-time high of 1,007 points in April 1989. The KSE fell flat during the early 1990s, however, by Seoul's economic doldrums and failed attempts by the government to boost stock investment. The market hit an all-time low of 499.07 points on August 12, 1992, down 54 percent from its peak.

The Seoul stock market is back on its feet these days, however, thanks to strong foreign interest, an improved economic outlook, market liquidity and vastly improved corporate earnings. As of June 20, the benchmark stock index stood at 942.50, and analysts remained confident that the market index would reach a new all-time high by the end of the year.

Ironically, a drop in the market index in mid-June has increased hope among foreign investors that the government will soon be expanding the foreign investment limits that have constrained them since January 1992. The overall 10-percent limit on foreign ownership has been nearly breached, and almost all stocks attractive to foreign investors reached their limits long ago. The drop in the index — caused by jitters about North Korea's nuclear program — prompted the Ministry of Finance to announce that it will increase the foreign investment limits sooner than expected.

Foreign investors were cheered by an announcement from Minister of Finance Hong Jae-hyung on June 12 that the government will raise the exchange's foreign investment ceiling from its current 10 percent limit to a level ranging from 13 percent to 15 percent by the first half of next year. It was the first time that Mr. Hong had publicly spoken about the limit raise, which was slated to happen sometime before the end of 1995. The announcement was welcomed by foreign investors, who would like to gain more exposure to the market given that they are typically long-term investors and are in no hurry to cash in their shares.

Ssangyong: Reliability in a variety of business circles.



A corporation's survival depends on its reputation for reliability.

Ssangyong has a 55-year history of reliability. Partners in more than 120 countries depend on Ssangyong and we're doing our best to meet their needs.

Ssangyong's reputation in the fields of international trade, engineering and construction, automobiles, cement, oil refining, investment and securities, heavy industries and machinery, paper, insurance, shipping and information systems has resulted in total sales of US\$14.5 billion in 1993.

Our capital and technical cooperation with Mercedes-Benz, the capital venture with Saudi Arabia's Aramco and the construction of over 7,000 deluxe hotel guest rooms in the Pacific Rim are just a few examples of our successful partnerships.

These days, when reliable business partners are hard to find, you need a corporation that builds reliability in a variety of business circles.

We're looking forward to talking business with you.

SSANGYONG

International Trade, Engineering & Construction, Automobiles, Cement, Oil Refining, Investment & Securities, Heavy Industries & Machinery, Paper, Insurance, Computers • C.P.O. Box 409, Seoul, Korea • Phone: (822) 270-8155-8, 270-8130 • Fax: (822) 273-0961, 273-8297, 274-2896 • Telex: TWINDRA K24270, K28215, K28442

مكتبة الأصل

SOUTH KOREA

CHAEBOL: ECONOMY'S HEAVYWEIGHTS

South Korea's economy is back on the growth track, and the nation's large business groups — or *chaebol* — are leading the charge. In characteristic fashion, the *chaebol* are aggressively expanding their business lines, and, although critics would like to see them become more specialized, the *chaebol* seem intent on making everything from "chips to ships."

The *chaebol* — South Korea's 30 largest business conglomerates — are typically owned and controlled by a single entrepreneur and his family. The conglomerates were set up in the 1960s

when the government authorized leading businessmen with good track records to launch ventures in industries targeted for development. The groups were given preferential treatment by the government and quickly began to dominate the economy.

Since that time, the biggest *chaebol* — such as Samsung, Hyundai and Daewoo — have built worldwide reputations and have been largely responsible for the country's rapid development and prodigious exports.

Now that the economy has rebounded from a three-year slowdown, the *chaebol* are looking to expand their dominance even further.

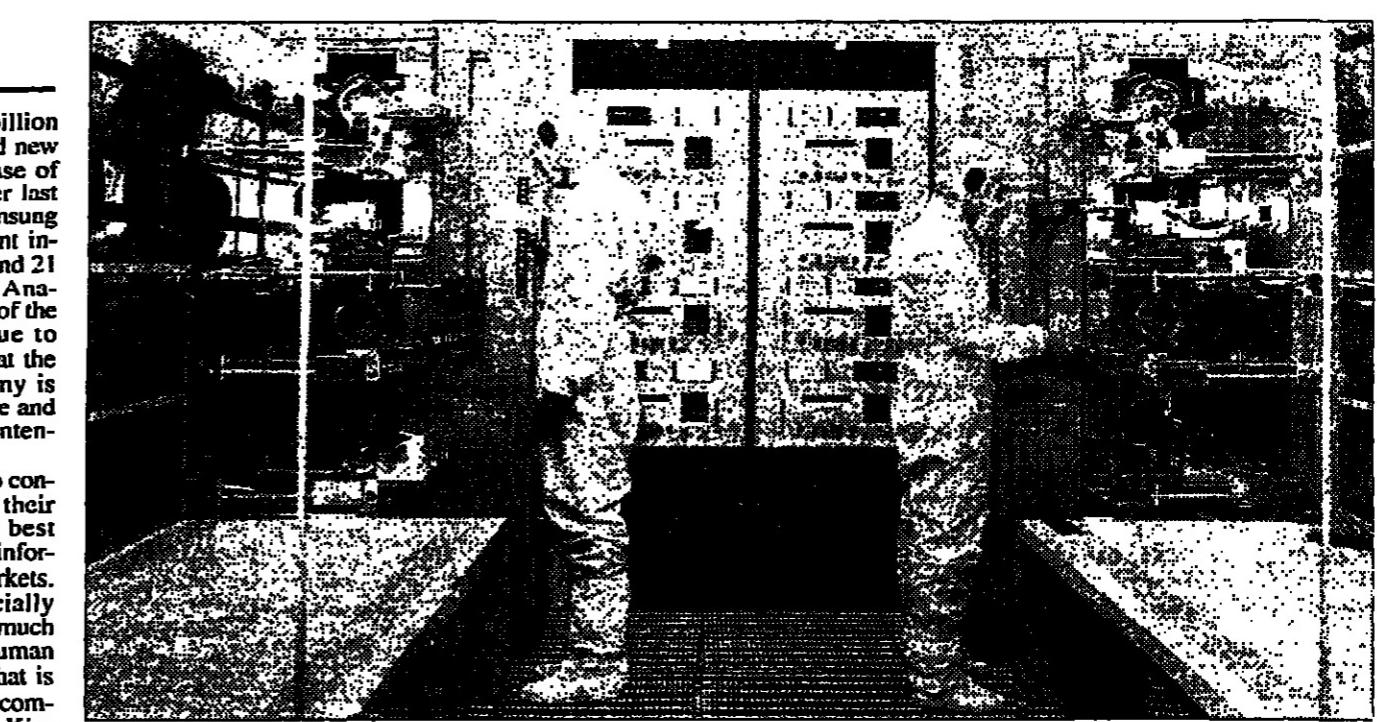
The number of companies affiliated with the top 30 *chaebol* increased to 616 as of April 1 from a year earlier, according to South Korea's Fair Trade Commission. Each *chaebol* was involved in an average of 19.1

business lines last year, compared with 10.3 in 1992 and 17.9 in 1991.

The top five *chaebol* clearly dominate the rest. The turnover of the five biggest — Hyundai, Samsung, Daewoo, Lucky-Goldstar and Sunkyong — accounted for 66.3 percent of the turnover of the top 30 *chaebol*. Not surprisingly, they big are looking to get even bigger.

Since assuming office in February 1993, the Kim Young Sam administration has been allowing the business sector much more freedom. Government regulations have been trimmed, and fears about a possible increase in "chaebol bashing" have come to naught. Instead, the *chaebol* have been called upon to internationalize and upgrade their operations in order to help South Korea prepare for the opening of the market.

In order to complete these expansion plans, the *chaebol* have stepped up their investments this year. Hyundai ex-



Manufacturers of electronic goods are working on more sophisticated products.

ELECTRONICS' TECHNOLOGICAL LEAP

Only a few years ago, South Korea's electronics makers were largely dependent on the export of unsophisticated consumer electronics such as low-grade VCRs and microwave ovens.

The industry has made a technological leap to more sophisticated products, however, and is now the world's largest producer of DRAM semiconductors and is aiming to master new technologies like high-definition television.

The industry is comprised of about 90 companies that produce a whole range of consumer electronics, industrial electronics and integrated circuits as well as parts and components. It is dominated by four major companies owned by the nation's top business groups: Samsung, Goldstar, Daewoo and Hyundai. Samsung stands head and shoulders above the rest in terms of technology and market share.

South Korea is the largest producer of color TVs in the world and the largest maker of microwave ovens, with around 10 percent of the global market. It also controls 30 percent of the world VCR market, is the world's

largest producer of color picture tubes and the second-largest monitor maker.

Prospects for the industry's future export success are bright, according to analysts.

"I am very optimistic about the future, considering the industry's 35.5 percent increase in sales during the first half of this year," says Woo Young-moo, an electronics industry analyst at Daewoo Securities in Seoul. "The continued strength of the yen and the domestic economic recovery are the two main reasons for this."

South Korea's electronics exports were worth \$22.2 billion last year, up 7.5 percent from 1992, while its domestic sales grew 13.5 percent, to \$10.8 billion. Both total sales and exports are expected to grow by about 9 percent this year.

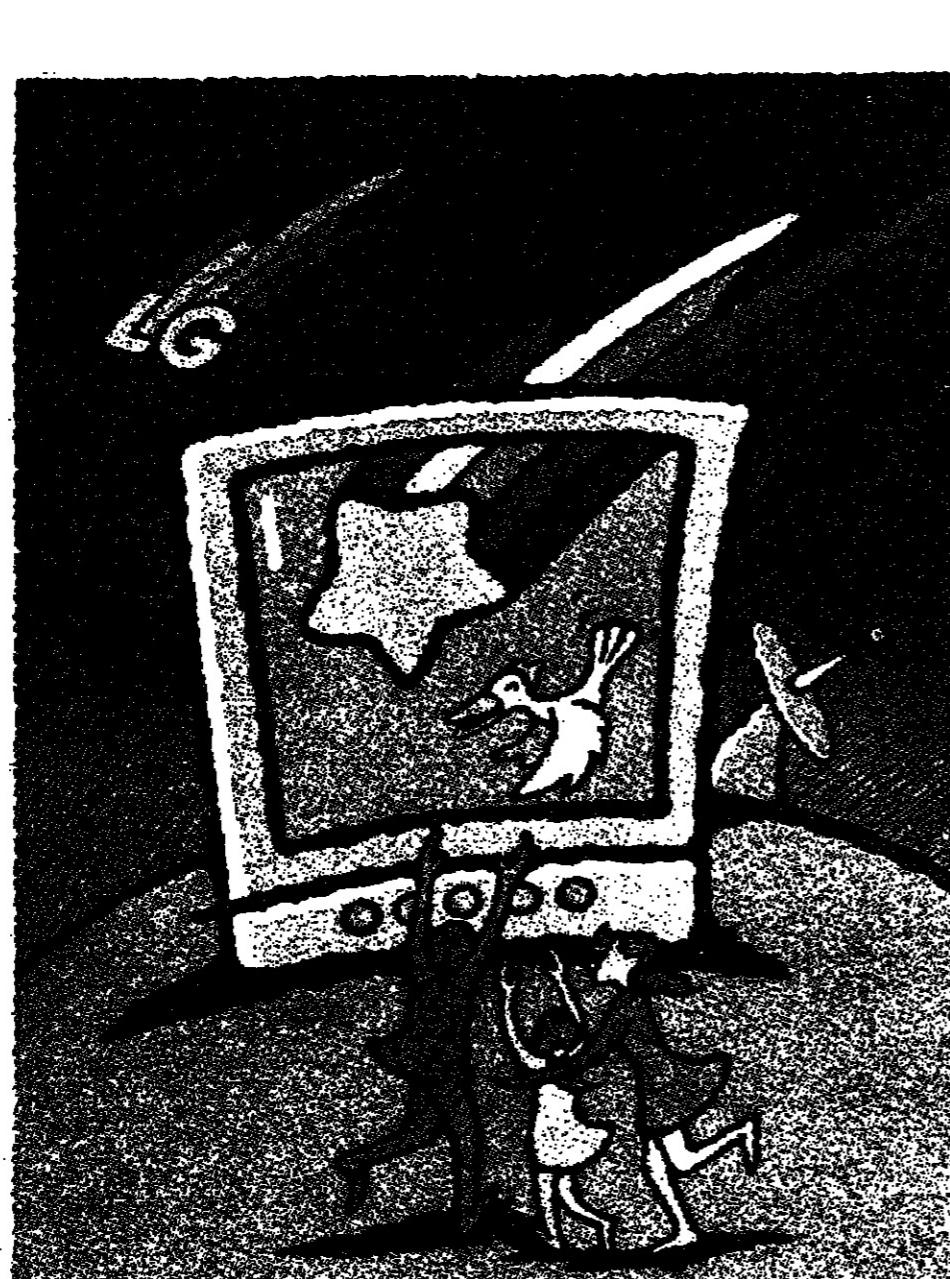
South Korean electronics makers are set to benefit from the economic recovery taking hold in their major export markets in the United States and Europe. The industry's growing internationalization and the movement of production facilities offshore will make them more competitive, and the increasing demand for computerization

both at home and abroad should also help them.

Negative factors, however, include growing trade restrictions, pressure to liberalize the domestic market and stricter enforcement of intellectual property rights. Most important, Seoul needs to break its dependence on foreign technology and parts, especially in regard to Japan.

"Korea is far too heavily dependent on the Japanese electronics industry, especially when it comes to parts and components," says Mr. Woo. About 60 percent of South Korea's imported electronics parts and components come from Japan. Since this has resulted in high royalty payments to the Japanese, South Korea's price competitiveness has been hurt. Seoul is trying to reduce this dependence by arranging technology transfer deals with Russia and pushing local R&D projects.

The success of this strategy is crucial for the country's plans to compete in the information age by becoming a leading manufacturer of products like advanced semiconductors, liquid crystal displays and high-definition television.



Why We Are Happy To Acknowledge That
There Will Always Be Someone Ahead Of Us.

At Lucky-Goldstar, customer satisfaction

is our absolute priority.

In order to ensure peerless, consistent quality, every single Lucky-Goldstar product is scrutinised down to the smallest detail.

From the largest communications satellite to the tiniest electrical component in our High Definition Televisions (HDTVs), everything is checked.

And then re-checked.

This commitment to excellence has led us to having a presence in all corners of the world.

In over 120 countries, our customers can rely on complete satisfaction in the fields of chemistry, electronics, trade, finance, construction and public service.

At Lucky-Goldstar we are happy to acknowledge that there will always be someone ahead of us.

Because that someone is you.

LUCKY-GOLDSTAR

Investing Our Past In The Future

SOUTH KOREA

AUTOMOBILE SALES UP BOTH AT HOME AND ABROAD

South Korea's automakers have come a long way since Hyundai Motor first made a name for the industry by exporting low-priced cars overseas in the 1980s. The nation's seven auto manufacturers are pumping up their production

capacity, diversifying their export markets and developing a slew of new models for both domestic and overseas consumers.

At the end of this year, the industry's production capacity will hit 3.1 million units, and it is expected to grow by 10 percent to 12 percent

over the next several years. The so-called "Big Three" auto manufacturers — Hyundai Motor, Kia Motors and Daewoo Motor — account for about 80 percent of the industry's annual production capacity.

The industry plans to spend \$20 billion by the turn

of the century in order to increase its domestic production capacity by over 50 percent, to 4.6 million units. This will place South Korea among the world's top five auto producers. It was ranked seventh in 1992 and is expected to come in sixth this year.

"The automakers are getting ready for strong export growth — especially in Asia, Latin America and Eastern Europe — as well as a booming domestic market," says Don Lee, an auto industry analyst at the Seoul branch office of Barclays de Zoete Wedd Securities.

The industry exported 638,647 units in 1993, up 40 percent, led by Hyundai Motor, which held a commanding 55 percent of the market. This strong growth was boosted by the appreciation of the Japanese yen, which gives South Korean cars a price advantage of 10 percent abroad. The emergence of China as a major market was also a positive factor. Exports to China during the first nine months of last year amounted to \$459 million, outpacing sales to the United States, which totaled \$436 million.

On the domestic side of the equation, double-digit demand is expected for the next few years as a result of economic recovery and the need to replace the large number of cars bought in the late 1980s.

The industry sold 1.4 million units in the domestic market last year, an increase of 13.2 percent and equal to 70 percent of total sales. The market is expected to stay



South Korean auto makers are ready to take on world competition.

strong considering Korea's low car density of 8.3 persons per vehicle, compared with 1.3 persons in the United States and 2.1 in Japan.

Commercial vehicles as well, as sports/utility vehicles are expected to continue enjoying strong sales growth, while demand for subcompacts will be helped by major facelifts of existing models. New models such as Kia's Avella, Daewoo's Cicerio and Hyundai's Accent

have been well-received in the local market.

The automakers know that they have to move beyond the success they have enjoyed selling low-priced subcompacts, however, and become more sophisticated. This concern has been magnified by the opening of the domestic auto market to foreign competition as well as the growing sophistication of local consumers. How well the industry adapts will

determine how successful it is in the future.

The industry is seeking to boost its quality and image by increasing research and development and marketing know-how, but it is still lagging behind. Funds spent on R&D in 1992 as a percentage of sales stood at 2.37 percent in 1992, up from 1.68 percent in 1991, but still much lower than 5.26 percent in Japan and 3.45 percent in the United States.

AN ENCOURAGING OUTLOOK FOR TRADE

South Korea has emerged from a three-year slump in exports, and hopes are high in Seoul that the country is back on the way to repeating the impressive export success it enjoyed in the 1980s.

South Korean exports amounted to \$82.2 billion in 1993 and are expected to increase by a healthy 9 percent this year, to about \$90 billion, according to the Korea Overseas Trade Association.

South Korea saw its international competitiveness slide during the late 1980s because of labor strife and large wage increases. As a result, it lost its comparative advantage in labor-intensive industries and ceded market share to China and Southeast Asian countries. It soon fought back, however, by shifting toward more value-added, technology-intensive exports while moving labor-intensive light industries overseas.

"In order to remain competitive as a major exporter, Korea needs to gain access to cheaper labor, lower interest rates and lower technology development costs," says Park Su-Whan, president of Lucky-Goldstar International Corp. "As a result, Korean companies need to promote internationalization and push for the globalization of their economy."

Although the transition is far from complete, the ma-

chinery and electronics sectors are expected to lead export growth this year, while less-advanced exports like textiles are seeing their economic importance decrease.

For the first four months of the year, exports rose 10.7 percent from a year ago, to \$27.6 billion. Exports to Japan and the European Union surged 17.9 percent and 26 percent respectively, while those to the United States grew by only 2.3 percent, mainly because of a decrease in shipments of textile products, footwear and machinery.

South Korean exports will continue to benefit from the strength of the Japanese yen, especially in sectors where they compete head-to-head with Japanese products like iron and steel, automobiles, shipbuilding, semiconductors and petrochemicals.

"Unfortunately, the strength of the yen can also be a negative considering Korean manufacturers' dependence on imports of Japanese heavy machinery as well as parts and components," says Lee Dwan Ho, director of the Asia division at the Ministry of Trade Industry & Energy in Seoul. Another worry is increased protectionism in South Korea's overseas markets. Trade officials are highly critical of anti-dumping tariffs levied against them and are concerned that the inauguration of the World Trade Organization next year could stir up new trade disputes.

1994 IS 'VISIT KOREA YEAR'

The land once known as the "Hermit Kingdom" has opened its arms wide to the world during "Visit Korea Year 1994." The event, which is attracting foreign travelers through a variety of incentives and special events, will introduce millions of visitors to the unique charms of South Korea.

In commemoration of the 600th anniversary of Seoul's founding as the capital of Korea, the South Korean government has launched the Visit Korea program and organized a variety of colorful festivals and enticing events on a much larger scale than usual.

A number of cultural festivals, international competitions, musical performances and other events have been taking place throughout the capital city of Seoul, around its mountainous countryside and along its island-studded coastline.

During the summer months, for example, visitors can participate in the '94 Cheju International Triathlon Championship on Cheju Island, a pristine, once-volcanic island off the nation's southern coast that is often referred to as "Korea's Hawaii." Back in Seoul, various parades, exhibitions and folk-art performances will take place throughout the city, and especially along the Han River, which flows through the center of the capital city.

Of course, visitors can also enjoy activities that are always available in South Korea. They can visit ancient palaces, shop in Seoul's underground arcades, climb spectacular mountain ranges or sample the spicy, colorful local cuisine.

Visitors can also take advantage of "Bonus Korea," an incentive program set up by the Korea National Tourism Corporation (KNTC) that is offering foreigners and overseas Koreans 5 percent to 50 percent discounts in 222 establishments, including airlines, trains, hotels, restaurants and department stores. The KNTC has distributed 500,000 Bonus Korea booklets with detachable coupons that can be used to obtain an array of discounts.

Local hotels are offering reduced room rates and special package programs, and department stores are offering discounts. Foreign visitors can save up to 15 percent on department-store duty-free items and 10 percent to 30 percent on hotel stays longer than two days. About 100,000 hotel rooms have been built for Visit Korea Year, and local hotels have upgraded their facilities. Meanwhile, Korean Air and Asiana Airlines, the na-

tion's two flag carriers, are giving foreign visitors 10 percent to 50 percent discounts on domestic airfares.

Not surprisingly, the Visit Korea Year program has also helped to boost the local tourism industry. The KNTC expects 4 million foreign visitors to come to Korea in 1994 and spend a total of \$4.2 billion. Many Japanese tourists have made the short trip to Korea because of an easing of visa restrictions, and arrivals from North America and Europe are also improving.

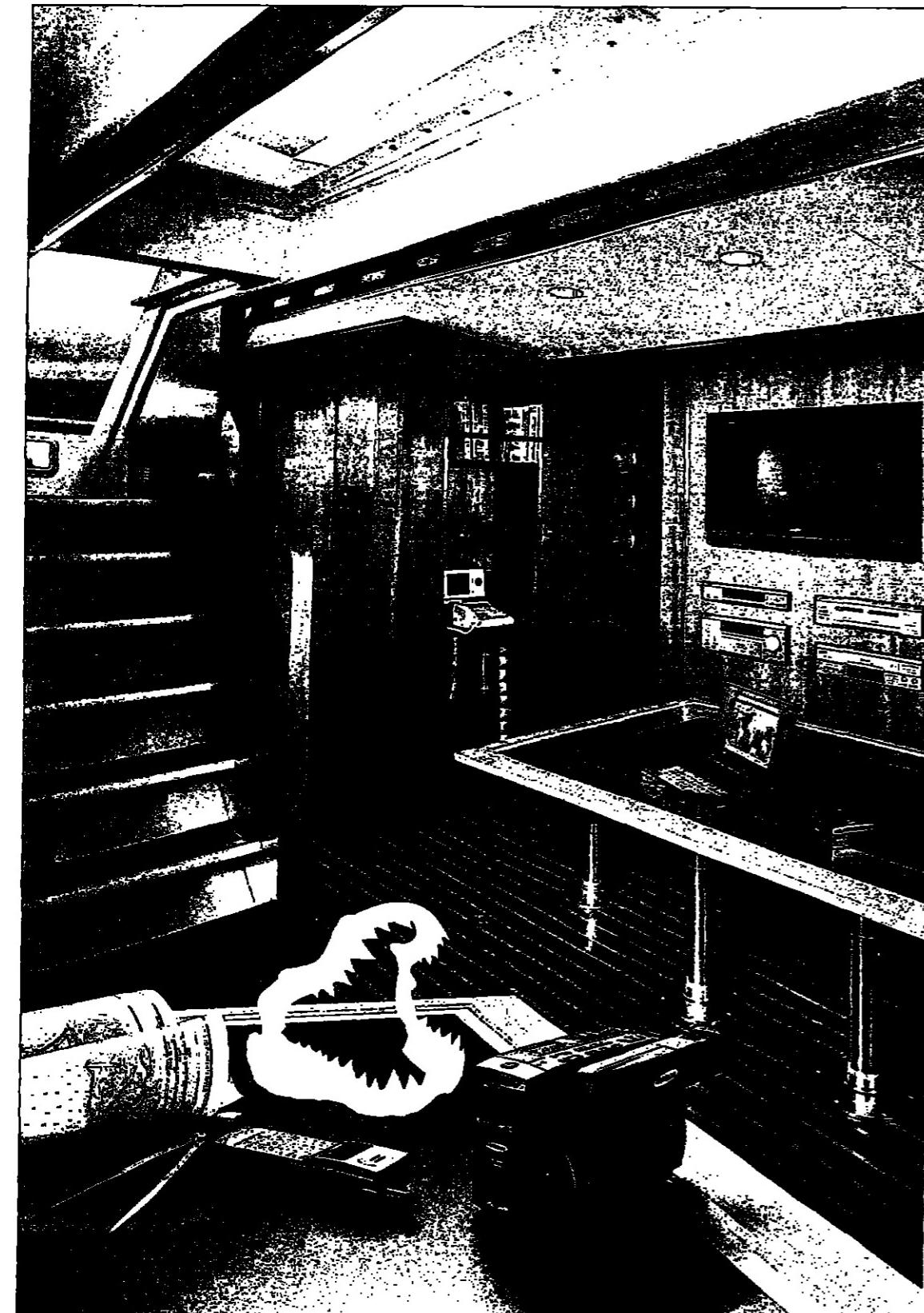
Although critics were not very optimistic about the program prior to its start in January, tourism showed a healthy increase during the first four months of the year, when visitor arrivals increased 18.7 percent over the same period in 1993, and tourist receipts grew by 10.2 percent.

Judging by the strong increase in the number of guests staying with us and

other hotels around town, Visit Korea Year can already be considered a success," says Chung Jae-Il, chairman of the Westin Chosun Hotel in Seoul. A big factor in the promotion's success has been a change in how Koreans view tourism, he adds.

In the past, tourism was widely seen as a wasteful, nonessential industry by government planners and the public. The service sector suffered as a result. Visit Korea Year, however, has been accompanied by a shift in public perceptions and an easing of government restrictions. As a result, it looks as though South Korea will become a tourist destination of some significance according to analysts.

The Visit Korea Year program has also benefited from a recent rebound in the economy and an increase in the number of international business travelers visiting Seoul.



TECHNOLOGY THAT WORKS FOR LIFE

SAMSUNG

Through commitment, innovation and an emphasis on total quality, Samsung has become one of the world's fastest growing technology resources. Samsung is not only on the forefront of electronics, but has received worldwide recognition for advances in engineering as well. Below are just a few examples of how Samsung quality and technology are working for everyone.

For more, write C.P.O. Box 1580, Seoul, Korea. Phone (02) 724-0177. Fax (02) 724-0198.

ELECTRONICS
199-gram cellular phone
High-definition TV
64M DRAM semiconductors
Notebook PC
Home service robot

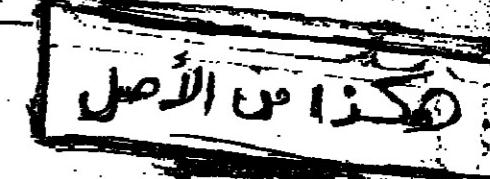
ENGINEERING
Offshore oil and gas platform
Aerospace
Dozers, excavators and loaders
Chemicals
Double-hull oil tankers

© 1994 The Samsung Group

SOMETHING WE DON'T HAVE THE TECHNOLOGY TO MAKE.



Traditional dances and culture are just part of what's on the menu for this year's tourist.



Europe's
will be ad

experts

SPORTS WORLD CUP



Kennet Andersson (rear), kicking the ball by Mauro Silva, surprised Brazil by putting Sweden ahead in the 24th minute.

2 Killed, Scores Injured in Mexico City

Compiled by Our Staff From Dispatches

MEXICO CITY — Rampaging youths smashed car windows, beat one man to death and marred a giant celebration for Mexico's advance in World Cup play.

Another man died from injuries sustained when he fell off the roof of a hijacked bus and at least 80 people were injured, 16 of them seriously.

The street *fiestas*, with scattered outbursts of violence, erupted minutes after the 1-1 tie Tuesday with Italy that clinched Mexico's second-round berth in the tournament.

One group of about 100 youths, many of them apparently drunk, roamed near downtown, smashing windows and looting a liquor store.

"We foreigners were very frightened," said Elisa Alvarez, 49, of São Paulo, as she helped a friend reach the Mexican Red Cross hospital.

"People were hitting other people with bottles and sticks and running all about," she added.

On the fringes of a throng of Mexicans feverishly waving flags and dancing to mariachi music, bands of shirtless youths attacked people, hijacked city buses and smashed shop windows.

Past nightfall, bloodied victim arrived at the Red Cross hospital emergency entrance every few minutes in ambulances.

Worried relatives at the hospital peered through the grimy white emergency room doors as doctors worked on victims with injuries — from gashes caused by flying rocks to broken bones, and other injuries sustained in fistfights.

Downtown, a man was beaten unconscious by a gang of about 20 youths, then fatally wounded with a powerful firecracker left to explode beside his head.

A second man beaten by the gang as hundreds of people watched in horror was reported in serious condition.

At least 80 people were injured, according to the Red Cross. Sixteen had to be hospitalized, and most of the rest were given first aid on the spot and allowed to go home.

On Friday, at least 118 people were injured during clashes that followed Mexico's victory over Ireland in first-round play. But while hundreds of riot police stayed away Tuesday, the lack of security allowed vandals to roam with impunity.

"Viva Mexico! Mexico, Mexico ral ral rah!" the crowd roared as briefcase-toting businessmen joined high school students

in black leather jackets and mothers pushing baby strollers.

But as drunkenness increased, so did the violence.

"I'm from a country of 3 million people and this looks like there are 3 million people on this street," said a New Zealand schoolteacher, Steve Tonnes. "It does get a little intimidating."

Boisterous fans celebrating Mexico's victory clashed again with police in the central business district of Huntington Park, near Los Angeles.

Several businesses were looted, police said, but there was no immediate estimate of damage. A 3-year-old girl was hit with a bottle and several officers suffered minor bruises, police said. There was no word on the girl's condition.

At one point, more than 100 revelers, mostly young men, ransacked a fireworks stand, quickly overcoming employees who tried to prevent the plunder. Ecstatic looters ran off with armfuls of July 4th fireworks, some of which were quickly lit and thrown at police.

Authorities said arrests numbered no more than a dozen, as their priority was to disperse the crowd.

(AP, L4T)

CALENDAR OF WORLD CUP GAMES, RESULTS, STANDINGS

FIRST ROUND

Three points awarded for a victory
Two points awarded for a draw
One point awarded for a loss

GROUP A

W L T GF GA Pts

1-Sweden 2 1 0 5 5 6

2-Switzerland 1 1 0 5 5 6

3-Croatia 1 1 1 5 4 4

4-U.S. 1 1 1 3 3 4

5-Colombia 1 2 0 4 5 3

Saturday June 18

Al Pontiac, Mich.

Switzerland vs United States 1, 0

Al Pontiac, Calif.

Romania 3, Colombia 1

Wednesday June 22

Al Pontiac, Mich.

Switzerland 4, Romania 1

Al Pasadena, Calif.

United States 2, Colombia 1

Sunday June 26

Al Pasadena, Calif.

Romania 1, United States 0

Al Stamford, Conn.

Colombia 2, Switzerland 0

GROUP B

W L T GF GA Pts

1-Brazil 2 0 1 6 1 7

2-Sweden 1 0 0 5 5 6

3-Russia 1 2 0 7 6 3

4-Cameroun 0 2 1 3 11 1

Sunday June 19

Al Pasadena, Calif.

Cameroun 2, Sweden 2, 0

Monday June 20

Al Pontiac, Calif.

Brazil 2, Russia 0

Friday June 24

Al Stamford, Conn.

Brazil 3, Cameroon 0

Al Poniac, Mich.

Sweden 3, Cameroun 0

Tuesday June 28

Al Stamford, Conn.

Russia 6, Cameroun 1

GROUP C

W L T GF GA Pts

1-Brazil 2 0 1 5 5 6

2-Sweden 1 0 0 5 5 6

3-Spain 1 0 2 6 5 6

4-South Korea 0 1 2 4 5 2

5-Bolivia 0 2 2 1 1 4

Friday June 17

Al Chicago

Brazil 1, Bolivia 0

Al Dallas

Spain 2, South Korea 0

Tuesday June 21

Al Chicago

Germany 1, Spain 1, 1

Thursday June 23

Al Foxboro, Mass.

South Korea 0, Bolivia 0, 0

Sunday June 27

Al Chicago

Spain 3, Bolivia 0

Wednesday June 29

Al Dallas

Germany 3, South Korea 2,

GROUP D

W L T GF GA Pts

1-Greece 2 0 0 6 1 7

2-Nigeria 1 1 0 5 5 6

3-Bulgaria 1 1 0 4 3 2

4-Greece 0 2 0 0 0

Tuesday June 21

Al Foxboro, Mass.

Greece 4, Greece 0

Al Dallas

Nigeria 3, Bulgaria 0

Saturday June 25

Al Foxboro, Mass.

Argentina 2, Nigeria 1

Sunday June 26

Al Chicago

Bulgaria 4, Greece 0

Thursday June 30

Al Foxboro, Mass.

Greece vs. Nigeria, 23:05 GMT

GROUP E

W L T GF GA Pts

1-Argentina 2 0 1 5 3 7

2-Mexico 1 0 2 6 5 6

3-Iceland 0 1 2 4 5 2

4-Italy 1 1 1 2 2 4

5-Norway 1 1 1 1 1 4

Saturday June 18

Al Dallas

Argentina vs. Bulgaria, 23:05 GMT

GROUP F

W L T GF GA Pts

1-Argentina 2 0 0 6 1 6

2-Mexico 1 0 2 6 5 6

3-Saudi Arabia 0 1 2 4 5 2

4-Bulgaria 0 1 2 4 5 2

5-Morocco 0 3 0 2 5 0

Sunday June 19

Al Orlando, Fla.

Bulgaria 1, Morocco 0

Monday June 20

Al Washington

Norway 1, Mexico 0

Tuesday June 21

Al Orlando, Fla.

Argentina 1, Saudi Arabia 0

Wednesday June 22

Al Orlando, Fla.

Mexico 1, Saudi Arabia 0

Thursday June 23

Al East Rutherford, N.J.

Argentina 1, Saudi Arabia 0

Saturday June 25

Al Orlando, Fla.

Netherlands 2, Saudi Arabia 1

Sunday June 26

Al Orlando, Fla.

Netherlands 2, Saudi Arabia 1

SUNDAY JULY 10

Game 47

At East Rutherford, N.J.

Argentina vs. Bulgaria, 23:05 GMT

GROUP G

W L T GF GA Pts

1-Mexico 2 0 1 5 3 7

2-Saudi Arabia 1 0 2 6 5 6

3-Italy 1 1 1 2 2 4

4-Norway 1 1 1 1 1 4

Saturday June 18

At East Rutherford, N.J.

Ireland 1, Italy 0

Sunday June 19

At Washington

Norway 1, Mexico 0

Monday June 20

SPORTS WORLD CUP

Dutch Move to 2d Round With Defeat of Morocco

Reuters

ORLANDO, Florida — The Netherlands split into the second round of the World Cup with a 2-1 win over Morocco in the steamy heat of the Citrus Bowl stadium on Wednesday.

Bryan Roy, who had been on the field for only 11 minutes, netted the winner in the 78th minute, gratefully snapping up the chance provided by Dennis Bergkamp, who had crossed from the left.

Bergkamp had put the Netherlands into the lead two minutes before the interval but Dutch joy was short-lived. Hassan Nader fired Morocco level within two minutes of the restart.

Peter van Vossen, one of four changes in the Dutch starting lineup from the one beaten 1-0 by Belgium last Saturday, evaded two tackles on the left near the corner flag and cut into the Moroccan box.

The striker touched the ball on to Bergamp, who had little room to maneuver but managed to squeeze a close-range left-foot shot into the far corner of the net to goalkeeper Zakioui Jaouit's left.

Morocco started the second half with only 10 men and it took a minute for midfielder Mustapha Hadji to get on the field.

But once there, Hadji immediately justified the switch. Within 60 seconds of his arrival he gathered a long ball on the right and centered for Nader in the box to tuck away the equalizer with the Dutch defense at sea.

Five Moroccan players were booked in the first half as their revamped team, showing five changes from their last starting lineup, fought

to prevent a third successive World Cup loss after defeats by Belgium and Saudi Arabia.

With Belgium losing 1-0 to Saudi Arabia in Washington, the Dutch finished atop group F by virtue of their own 2-1 victory over the Saudis, with whom they shared the final tally of six points and a 4-3 goal difference. It was superior to that of previously unbeaten Belgium.

The Dutch will meet Ireland in Orlando in the second round on Monday.

Thus the Dutch are still seeking the supreme prize after finishing as runners-up in 1974 and 1978.

The veteran Dutch midfielder Jan Wouters will miss the clash with Ireland after receiving his second booking of the tournament for fouling Nader in the 30th minute.

The Dutch endured many anxious moments against the unfortunate Moroccans, who leave without a point.

The speedy Moroccan forwards, with an entirely revamped front three, frequently threatened on the break.

Nader might have put them ahead in the 16th minute but his shot was deflected just outside Dutch goalkeeper Ed de Goey's right post.

Ahmed Bahia also came close, while de Goey did well to turn a fierce long-range shot from Rachid Daoudi, a second-half substitute, around his post in the 67th minute.

Aron Winter, replacing the disappointing Frank Rijkaard in the starting lineup, threatened in the 23rd minute and had an effort from a Roy cross in the 71st turned away for a corner.



Saeed Owairan, with the most spectacular goal yet seen at this World Cup, gave Saudi Arabia a 1-0 lead over Belgium.

Saudis Stun Belgium, 1-0, To Advance

Group Favorite Has No Answers To Counterattack

Compiled by Our Staff From Dispatches

WASHINGTON — Saudi Arabia produced one of the biggest upsets of the opening round of the World Cup finals on Wednesday when it toppled Belgium, the previously unbeaten Group F favorite, 1-0. The goal came only five minutes into the match when Saeed Owairan burst from an unmarked position in his own half to carve open the Belgian rear guard with a spectacular run and emphatic shot.

The skillful attacking midfielder accelerated past Dirk Medved, swerved wide of Michel De Wolf, left Rudy Smits in his wake and thundered a rising right-foot shot past the startled goalkeeper, Michel Preud'homme, as Philippe Albert lunged desperately.

It was the first goal conceded by Belgium in the tournament and it was a goal worthy of winning any game. Belgium, which had already qualified after successive 1-0 victories over Morocco and the Netherlands, finished third in the group after the Dutch and the Saudis.

The Saudis will go to Dallas to play Sweden on Sunday. The Belgians will play either Germany on Saturday at Chicago or the Group D winner on Tuesday in Foxboro, Massachusetts, in the second round.

The victory was the most famous in Saudi Arabia's soccer history and came against a Belgian team so confident before the game that four leading players, three with yellow cards received earlier in the tournament, were rested.

For Belgium, it was a huge disappointment, as Coach Paul Van Himst had pinned his hopes on avoiding defeat to win the group and stay in Orlando. But the Belgians missed a series of chances after dominating much of the game.

"The team would have expected a point today, and they're very disappointed not to do that," Van Himst said. "The turning point was the goal that was given away."

"Today we played against a very dangerous side, especially on the counterattack."

"I told you we would take second place in the group, and here we are, delivering what we promised," said the Saudis' coach, Jorge Solari. "This was not expected by many people."

The Saudis used a counterattack offense to perfection, springing several players free. Van Himst sent in Luc Nilis in the first half and Josip Weber in the second to add offensive punch.

The Belgians had the majority of possession time in the first half, but no scoring chances until Van Himst replaced forward Marc Degryse with Nilis in the 24th minute.

Three minutes later Marc Wilmots fanned on a shot at a wide open net and Nilis sent a shot just wide of the right post in the 29th.

The Belgians created far more chances in the second half, but still were whistled at by their fans in the partisan crowd. The Saudis appeared to try the same tactic that failed against the Dutch. They often wasted time and also drew whistles from the crowd.

But this time there were no breakdowns in defense, despite the scoring chances by the Belgians.

(Reuters, AP)

Russia's Salenko Breaks Goal Record, and Cameroon's Heart

By Jay Privman
New York Times Service

PALO ALTO, California — The only way Cameroon had a chance of advancing to the second round in the World Cup was to beat Russia by at least three goals.

By the time Oleg Salenko had finished, Cameroon wasn't even close.

Salenko set a World Cup record with five goals as Russia pounded a disorganized and dispirited Cameroonian squad, 6-1, in a Group B match Tuesday at Stanford Stadium. That vaulted the Russians over Cameroon into third place in the group and gave them a slim chance to advance to the second round. They need help from teams in other groups and probably won't know until Thursday, Cameroon, though, is definitely heading home.

Salenko, who plays for Valencia in the Spanish league, was a reserve in Russia's opening loss to Brazil. He then got his first World Cup start in the next game, scoring Russia's only goal in a 3-1 loss to Sweden.

Aided by a porous Cameroonian defense that rarely allowed outnumbered attacks, he scored five times, with three goals in the first half, to break the previous single-game record held by nine players. The most recent one to achieve a four-goal mark was Emilio Butragueno of Spain, against Denmark in 1986 in Mexico.

"I didn't even know what the old record was," Salenko said afterward. "I only realized it when the public address announcer announced it on the loudspeaker."

But with little understanding of English, even then he wasn't sure.

"Record, what record?" Salenko had asked as he left the field.

Cameroon, whose innocent charm made it the surprise team of the 1990 World Cup, was dragged down this year by backbiting off-field politics, and constant on-field bickering, but the Indomitable Lions, with a loss and a tie, coming into Tuesday's game, still had a chance to advance to the next round.

Instead, they made the Russians look like one of the tournament favorites instead of a team known chiefly for a plodding style that had produced one goal in two games. Cameroon's defense was too far forward for the entire game, and Cameroon's goalkeeper, Jacques Song'o, could not stop the relentless Russian attack.

Song'o is considered Cameroon's third-best goalkeeper, and he was surprisingly inserted Tuesday over the second-stringer, Thomas Nkono. Cameroon's best goalkeeper, Joseph-Antoine Bell, quit the team on Sunday after leading a player revolt over the weekend. Cameroon's players have complained that funds promised by their soccer federation were slow in arriving.

The turmoil obviously carried onto the field Tuesday. Cameroon's defenders were out of position all afternoon, and Song'o spent most of the first half arguing with his defense men over their positioning.

Salenko scored Russia's first five goals. His first goal came after a scramble in the penalty box in the 16th minute. The ball squirted back to Salenko near the 18-yard mark, and he fired a shot past Song'o.

Salenko next scored off an indirect free kick in the 41st minute. As Cameroon's players argued the awarding of the kick, Russia's Igor Korneiev put the ball in play. Korneiev advanced the ball to Ilya Tsybalka, who looked up to find himself and Salenko bearing down on Song'o on a two-on-one breakaway. With the Cameroon players playing futilely for off-sides, Tsybalka fed the ball to Salenko, who then smacked it past a diving Song'o.

Just moments before halftime, Salenko was awarded a penalty kick when he was tackled in the penalty box. When the referee, Jamal al Sharif, spotted the ball, Song'o walked over and petulantly kicked it away, incurring a yellow card. Once the ball was reset, Salenko charged forward and tapped it to his right as

Song'o, trying to anticipate the shot, dove the wrong way.

Roger Mills, Cameroon's 42-year-old scorer, scored in the 47th minute to make it 3-1, but then Salenko scored twice within a two-minute span to put Russia up by 5-1.

In the 72d minute, Salenko fired in a 15-meter (50-foot) shot from the center of the field. And in the 74th minute, Salenko beat Song'o to a loose ball at the side of the net and chipped a shot over the Cameroon's goalkeeper and into the net.

Dmitri Radchenko, who scored Russia's final goal, in the 82d minute, said: "He was just able to take advantage of all the right moments."

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

The players to score four goals in a World Cup game were:

Emilio Butragueno, Spain, 1986; Eusebio, Portugal, 1966; Just Fontaine, France, 1958; Sandor Kocsis, Hungary, 1954; Juan Schiaffino, Uruguay, 1950; Ademir, Brazil, 1950; Ernest Wilimowski, Poland, 1938; Leonidas, Brazil, 1938; Gustav Westerstrom, Sweden, 1938.

Princess Diana's Suit

On London Gym Photo
Princess Diana has scolded her husband against a London gym where she was secretly photographed as she worked out. The LA Fitness gym has apologized for the pictures and remains open for permanent members stopping it from distributing any photographs of the princess taken at the club, according to her lawyers. But Sun will press ahead with suit against the company's part-owner Bryce Taylor, who took the photos, and against Mirror Group Newspapers, which published them in November. LA Fitness will contribute toward Diana's legal costs, her team said, but the amount was not disclosed.

A Royal Air Force jet piloted by Prince Charles skidded off the runway Wednesday after a tire burst when the plane landed at Faslane, an island off the west coast of Scotland. According to Buckingham Palace, no one was hurt in the incident.

Mama theater owners have agreed to an indefinite ban on films featuring Raquel Welch and Gaby Concepcion and the other actors involved in last week's Mama Film Festival awards scandal.

Burra Stresemann set aside 4,000 tickets to her Madison Square Garden shows for five select, nonprofit organizations to sell for \$1,000 apiece. Yet only the Gay Men's Health Crisis was able to sell its entire allotment of 1,000 tickets. Nevertheless, each of these organizations benefited from the ticket sales. Planned Parenthood reported a net of \$390,000 after expenses, and the Environmental Defense Fund said it made more than \$300,000.

Dave Powers, 82, is stepping down as curator of the John F. Kennedy Library in Boston after 30 years in the post.

INTERNATIONAL CLASSIFIED

Appears on Pages 2 & 17

ART BUCHWALD

Vacation One-Liners

WASHINGTON — It's that time of year when you are preparing to go on vacation and you want to impress strangers who you will meet. As a service to readers I am providing one-liners that will get everyone's attention at a cocktail party or cookout.

"Ollie North may have lied to a lot of people but he never lied to me."

"I always get confused over whether North Korea makes the Hyundai automobile and South Korea makes the atomic bomb, or vice versa."

"Would anyone like to buy a semi-automatic pistol without waiting seven days?"

"I'd rather have Hillary Clinton running the country than Barbara Streisand."

"Just after I gave birth to a politician's election campaign they ask me to contribute to a defense fund to fight his indictment."

1 Monet, 1 Manet Sold in London

By Roderick Smith

LONDON — Paintings by Claude Monet and Edouard Manet were sold by Sotheby's for \$7.5 million and \$6.8 million, respectively.

Monet's "Poplars on the Banks of the Epte" went for £4,841,500 (\$7.48 million) after a tense telephone-bidding duel between two private collectors during the sale Tuesday evening.

A study for Manet's "Bar at the Folies-Bergere," in which a barmaid in a low-cut dress stands pensively in front of a mirror, reached £4,401,500 (\$6.8 million).

The prices were well below the records for both artists reached in the late 1980s.

"Some of my best friends are secondary smokers."

"If you have to ask what Bill Clinton's health plan will cost, you can't afford it."

"My son was given four strokes of the cane in Singapore for running a red light and now he's worth \$2 million."

"I'd rather have a White House aide borrow a helicopter to play golf than waste the taxpayers' money on welfare mothers."

"My daughter cheated on her Naval Academy engineering exams and is now in charge of repairing nuclear subs."

"Tourist-wise, Chernobyl is overrated."

"Nobody likes human rights violations but if we make a big deal about what's going on in China, Americans will never be able to buy a pair of running shoes for \$4.60 again."

"The only reason the United States is so powerful in the Far East is that President Clinton and the Emperor of Japan stroll."

"Oprah calls me up every morning and asks me what she should eat for lunch."

"I just got an autographed copy of Dan Quayle's book and everyone says that I made a huge investment."

"Every time I read that the Hubble telescope has discovered another black hole in the universe I want to throw up."

"I got out of the commodities market the same time Hillary Clinton got in."

"I say that when it comes to buying a new car you can't have too many air bags."

"We'd rather be a dysfunctional family than eat breakfast together."

"My brother George used to be on Rostenberg's payroll but when they asked him to do some work he quit."

"More brilliant business careers have been destroyed by spraying nicotine on tobacco leaves than by sexually harassing women who smoke."

WEATHER

Europe

	Today			Tomorrow		
	High	Low	W	High	Low	W
	C/F	C/F	C/F	C/F	C/F	C/F
Paris	52°/62°	39°/49°	S	50°/60°	39°/49°	S
Amsterdam	53°/63°	41°/51°	S	51°/61°	40°/50°	S
London	53°/63°	41°/51°	S	51°/61°	40°/50°	S
Barcelona	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Brussels	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Copenhagen	53°/63°	34°/44°	S	51°/61°	33°/43°	S
Costa Del Sol	53°/63°	35°/45°	S	51°/61°	33°/43°	S
Edinburgh	51°/61°	32°/42°	S	50°/60°	31°/41°	S
Florence	51°/61°	32°/42°	S	50°/60°	31°/41°	S
Gibraltar	51°/61°	32°/42°	S	50°/60°	31°/41°	S
Helsinki	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Istanbul	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Madrid	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Milan	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Montreal	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Naples	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Paris	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Rome	51°/61°	31°/41°	S	50°/60°	31°/41°	S
St. Petersburg	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Turkey	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Venice	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Vienna	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Zurich	51°/61°	31°/41°	S	50°/60°	31°/41°	S
Oceania	51°/61°	31°/41°	S	50°/60°	31°/41°	S

Forecast for Friday through Sunday, as provided by Accu-Weather.



North America

Blistering heat will continue across the western U.S. and western Canada this weekend. Much cooler weather will move into northwest Europe over the weekend.

From today, temperatures will drop and there will be rain.

Fans may have a thunder-

storm Friday, the weekend

will be cooler with showers.

This week, the central Philippines will cool down while Vietnam will be cooler with showers.

North America

	Today			Tomorrow		
	High	Low	W	High	Low	W
	C/F	C/F	C/F	C/F	C/F	C/F
Banff	29°/42°	22°/31°	S	30°/43°	23°/31°	S
Bordeaux	35°/45°	21°/31°	S	35°/45°	21°/31°	S
Damascus	35°/45°	21°/31°	S	35°/45°	21°/31°	S
Jerusalem	27°/36°	17°/26°	S	28°/37°	18°/26°	S
Luxor	38°/48°	17°/26°	S	39°/49°	17°/26°	S
Monaco	34°/44°	24°/34°	S	35°/45°	24°/34°	S
Paris	34°/44°	24°/34°	S	35°/45°	24°/34°	S
St. Petersburg	34°/44°	24°/34°	S	35°/45°	24°/34°	S
Turkey	34°/44°	24°/34°	S	35°/45°	24°/34°	S
Oceania	34°/44°	24°/34°	S	35°/45°	24°/34°	S

Legend: +, sunny; -, partly cloudy; /, cloudy; H, shower; R, rain; S, snow; N, snowfall. All maps, forecasts and data provided by Accu-Weather.

Asia

	Today			Tomorrow		
	High	Low	W	High	Low	W
	C/F	C/F	C/F	C/F	C/F	C/F
Bangkok	32°/42°	22°/32°	S	33°/43°	23°/32°	S
Bogota	32°/42°	22°/32°	S	33°/43°	23°/32°	S
Hong Kong	32°/42°	22°/32°	S	33°/43°	23°/32°	S
Manila	32°/42°	22°/32°	S	33°/43°	23°/32°	S
Seoul	32°/42°	22°/32°	S	33°/43°	23°/32°	S
Singapore	32°/42°	22°/32°	S	33°/43°	23°/32°	S
Taipei	32°/42°	22°/32°	S	33°/43°	23°/32°	S
Tokyo	32°/42°	22°/32°	S	33°/43°	23°/32°	S
Yokohama	32°/42°	22°/32°	S	33°/43°	23°/32°	S
Oceania	32°/42°	22°/32°	S	33°/43°	23°/32°	S

Africa

None

None

None

None

None